



ANNUAL REPORT

2007-2008





Contents

About Redland City.....	3	Our achievements – Economic.....	41
Five years at the Redlands.....	5	Our achievements – Environment.....	43
A message from our Mayor.....	8	Our achievements – Social.....	45
A message from our leadership group.....	9	Key projects.....	49
Mayor and Councillors.....	11	Looking forward.....	54
Executive Leadership Group.....	16	Redland Water & Waste – Highlights.....	56
Who we are – Our people.....	19	Community Financial Report.....	76
Corporate governance.....	22	Financial statements.....	81
Corporate Plan 2006–2010.....	36	Appendix A.....	117
Doing business with Council.....	39	Appendix B.....	120
		GRI Index.....	123

Cover photograph location: Wellington Point Reserve

About Redland City

More to life, more to explore, more for business

Located south-east of Brisbane, Queensland, the Redlands is a unique combination of island, mainland coastal and hinterland areas covering 537 square kilometres. The Redlands provides relaxed coastal living and outstanding cultural and natural attractions.

The quality lifestyle enjoyed by local residents is reinforced with excellent business and employment opportunities, community and health care facilities, education institutions and transport links.

Redland's new city status reflects its well established government, financial, commercial and retail centres that provide a strong economic base for business. Currently the largest employment sectors are retail, health and community, education and manufacturing, with tourism also a growing industry.

As part of south-east Queensland, one of the fastest growing regions in Australia, population growth in the Redlands needs to be managed in a balanced and sustainable way to achieve optimum environmental, social and economic outcomes for the community.

Council is committed to:

- protecting our diverse natural environment
- maintaining our quality lifestyle
- attracting and supporting businesses that complement our environmental values and lifestyle while providing sustainable jobs for the community
- thoughtful planning for population growth.

Our vision

To enhance community spirit, lifestyle and the natural environment.

Our mission

To provide the best value in:

- leadership, planning and representation
- protection and maintenance of lifestyle and natural environment
- community and regulatory services
- infrastructure and facilities





Population projections

Region	2006	2011	2016	2021	2026
Alexandra Hills	17,661	17,428	17,187	17,103	16,716
Birkdale	14,661	15,121	15,794	16,141	16,195
Capalaba	17,905	18,224	20,160	22,773	24,836
Cleveland	14,164	14,266	14,161	14,710	14,771
Mt Cotton/Sheldon	5,168	7,063	8,772	9,348	9,600
Ormiston	5,793	6,199	6,666	6,730	6,673
Redland Bay	11,042	15,048	18,388	21,527	25,720
Thorneside	3,514	3,503	3,448	3,447	3,385
Thornlands	11,073	13,854	16,467	18,884	22,592
Victoria Point	14,566	16,004	17,020	17,867	18,577
Wellington Point	10,499	11,071	11,496	11,571	11,439
Bay Islands*	6,925	7,999	8,956	10,650	12,173
Totals	132,971	145,780	158,515	170,751	182,677

Source: Office of Economic and Statistical Research, Planning and Information Unit, Department of Local Government and Planning Queensland.

*Includes Southern Moreton Bay Islands, North Stradbroke Island and Coochiemudlo Island.



Five years at the Redlands

In partnership with our community

Financial (CPI adjusted to current dollars)

	2003-04	2004-05	2005-06	2006-07	2007-08
Total revenue	\$179,570,734	\$181,347,790	\$171,115,660	\$182,841,215	\$201,412,841
Operating revenue	\$141,650,526	\$149,925,451	\$143,012,548	\$151,545,353	\$161,563,186
Operating expenses	\$136,739,744	\$153,676,338	\$157,144,239	\$180,039,812	\$187,971,390
Rates revenue (after discount)	\$104,189,277	\$110,358,912	\$109,881,135	\$117,623,229	\$122,944,439
Rates revenue as % of total revenue	58.02%	60.85%	64.21%	64.33%	61.04%
Total assets	\$1,470,681,579	\$1,664,499,568	\$1,744,502,613	\$2,208,957,788	\$2,148,576,492
Debt/assets ratio	8.18%	7.52%	7.51%	6.25%	5.98%
Outstanding loans	\$120,339,109	\$125,182,246	\$131,086,666	\$138,154,069	\$128,531,266
Debt servicing ratio	13.56%	14.11%	15.55%	15.65%	15.10%

Environment

	2003-04	2004-05	2005-06	2006-07	2007-08
Hectares of bushland under conservation	3,165.6	3,165.6	3,196	3,196	9,121
Approximate number of trees planted	40,961	21,196	58,772	67,522	80,623
Area treated for mosquitoes (in hectares)	6,307	6,033	7,266	4,254	4,334

More detail continued over page →

Economic

	2003-04	2004-05	2005-06	2006-07	2007-08
Total building applications received (domestic and commercial)	5,053	3,669	3,975	3,923	3,891
\$ Redland City Council spends in the local postcode area for purchases	\$17,857,691	\$21,533,286	\$22,038,265	\$28,286,966	\$39,263,076

Staff

	2003-04	2004-05	2005-06	2006-07	2007-08
Number of staff (including casual and part-time)	921	1,106	1,080	1027	950
		Reporting changed this year from full-time equivalent to total number of staff	As at 30 June 2005 <ul style="list-style-type: none"> • 772 full-time permanent • 95 part-time permanent • 20 permanent job share • 67 contract of service • 126 casual 	As at 30 June 2006 <ul style="list-style-type: none"> • 791 permanent • 71 part-time permanent • 9 permanent job share • 30 contract of service • 126 casual 	As at 30 June 2007 <ul style="list-style-type: none"> • 720 permanent* • 50 part-time permanent • 9 permanent job share • 33 contract of service • 138 casual

*Reduced number of permanent staff due to outsourcing of our Oakland Street and Degen Road Child Care services, the impact of water reforms on Redland Water & Waste and uncertainty surrounding the council amalgamations in 2007-08.

Community

	2003-04	2004-05	2005-06	2006-07	2007-08
Library membership	55,551	56,744	61,339	72,432	71,429
Number of children in outside school hours care	920	800	820	830	948
Number of hours of respite care delivered	29,717	37,307	40,298	38,890	45,735
Dog registrations	18,902	20,193	20,004	20,317	20,712
\$ value of grants to community from Council	\$1,550,903	\$1,375,416	\$1,289,111	\$94,582	\$1,496,557



Infrastructure

	2003-04	2004-05	2005-06	2006-07	2007-08
Land under roads	954 km	979.5 km	990.6 km	1,000.8 km	1,008.5 km
Length of roads owned by Council	875 km	900.5 km	911.6 km	921.8 km	929.5 km
Length of roads owned by other entities	79 km	79 km	79 km	79 km	79 km

Redland Water & Waste

	2003-04	2004-05	2005-06	2006-07	2007-08
Water					
Water treated (ML)	18,120	19,022	15,107	13,782	12,543
Water consumption (ML)					
Residential	13,773	15,149	11,363	10,424	9,399
Commercial	1,426	1,650	1,562	1,454	1,462
Council	302	376	220	230	185
Other	187	214	159	56	145
Total consumption (ML)	15,688	17,389	13,304	12,164	11,191
Number of meters	44,760	46,050	46,657	47,639	48,511
Wastewater					
Wastewater treated (ML)	9,480	9,319	10,588	9,160	9,602
Waste					
Number of kerbside waste (weekly) and recycling (fortnightly) collections	47,381	48,404 (refuse) 48,383 (recycling)	50,131 (refuse) 50,110 (recycling)	50,356 (refuse) 50,335 (recycling)	51,612 (refuse) 51,660 (recycling)
Total recyclables (tonnes)	7,939	8,930	10,946	11,627	11,960



A message from our Mayor

Since being elected Mayor of Redlands on March 15 2008, I have been impressed by the professionalism of Council and its staff. Within this organisation is a strong commitment to serve our community, effectively protect our natural environment and see our city move forward responsibly.

Challenges

The past year has seen some outstanding achievements in a time of great challenge for local government in Queensland, which you can read about in the pages of this annual report.

Our boundaries here in the Redlands remained unchanged through the local government reform process, with only our name changing from Redland Shire to Redland City. While we didn't face the amalgamation issues of many other councils in our region, we nevertheless have had our own challenges, including water reform and managing population growth and infrastructure needs.

In particular, Council prepared for the transfer of the Redlands' bulk water assets to the state government's new bulk water entity earlier this year, and stood firm in its negotiations to ensure our community received fair compensation in return.

Highlights

The new \$10.8m Redland Performing Arts Centre opened its doors in April, providing an outstanding new community venue for local and major touring productions.

We also adopted our Koala and Biodiversity Strategies, which address the issues of koala and biodiversity loss in the Redlands and Koala Coast. The latter strategy in particular provides a framework for taking urgent action to stabilise and build the declining koala population.

Engaging our community

One of my great passions is ensuring people have the opportunity to have a say when major decisions are made affecting the community, and Council is now moving towards an even greater focus on community engagement.

We introduced the first Redlands Conversation – a series of community forums at which locals can discuss matters of interest or concern with me – and by June 30 we had already held two successful events (at Cleveland and Victoria Point).

Our community can look forward to more of these forums and a range of other community engagement activities in the coming year.

Thank you

I would like to thank my fellow Councillors and staff – at all levels – for the professional, dedicated and diligent way in which they serve the Redlands community, and congratulate them on a year of excellent achievement.

A handwritten signature in black ink that reads "Melva E Hobson". The signature is written in a cursive, flowing style.

Melva E Hobson PSM
Mayor of Redlands

A message from our leadership group

Chief Executive Officer
Gary Stevenson



General Manager,
Corporate Services
Ray Turner



General Manager,
Planning and Policy
Greg Underwood



Acting General Manager,
Customer Services
Lex Smith



General Manager,
Redland Water & Waste
Gary Soutar



Susan Rankin, Chief Executive Officer since late 2002, left the organisation in March this year. Council thanks Susan for her professionalism, dedication, and the significant achievements she guided throughout the organisation.

Gary Stevenson, former Chief Executive of Rockhampton City Council, took up the position of Redland City Council Chief Executive Officer on 8 September 2008. We welcome Gary and look forward to working with him.

The 2007-08 year saw the first of many changes to our ownership and control of water and sewerage assets. The state government now has ownership of all Redland bulk water assets including the Leslie Harrison Dam, North Stradbroke Island aquifers, water treatment plants and reservoirs. The transaction took effect on 1 July 2008, with Council receiving \$81 million as a reduction of our debt, to compensate for the loss of \$125 million of bulk water assets (written down value) to the state government. The financial statements as at 30 June 2008 do not include this transaction.

Other key events during the year included the change in classification from shire to city status and the election of a new Council in March 2008.

Planning for the future

Major planning processes completed during the year included:

- choosing a site at Redland Bay for a new bulk waste transfer facility
- adopting the structure plan and infrastructure agreement for Redland Integrated Employment centre at Redland Bay
- completing the structure and master plans for state interest review for South East Thornlands, Kinross Road Area, Cleveland Principal Regional Activity Centre
- completing the Southern Redland Bay Investigation area Planning Study
- hosting the Koala Summit and subsequently adopting the Koala Strategy and Policy
- adopting the Biodiversity Policy and Strategy
- publishing the first Redland State of the Environment Report
- developing and adopting the Redlands Cultural Plan
- developing and adopting the Southern Redlands Regional Facilities Plan.

Building for the future

Major capital works undertaken during the year included:

- completing the Redlands Performing Arts Complex
- developing the Redlands Youth Plaza
- restoring sports fields across the city
- dredging Toondah Harbour
- refurbishing the Cleveland Aquatic Centre.

Financial highlights

Council achieved another strong financial result in 2007/2008 and we remained in a very sound financial position at year end.

We achieved or bettered all our key financial ratios defined in our financial strategy for the year.

Key results include:

- our closing cash balance stood at \$71 million, or in excess of six months of operating requirements
- our earnings before interest, tax, and depreciation, excluding capital revenue, was \$30.4 million, up 66 per cent on the previous year
- overall debt levels were reduced by \$4.1 million to \$128.5 million. Aligned with this, our ability to repay our debts remained well within our targets
- our net wealth, that is, the difference between what we own and what we owe, increased by \$32.9 million to \$1.96 billion.

Operational performance

Council uses a balanced scorecard approach to measure our operational performance across a range of performance measures on a monthly basis. The overall annual result was in the 'outstanding' category. This high level of achievement was consistently achieved throughout the year.

Performance against the operational plan is measured quarterly through 115 performance measures across seven strategic priorities. The annual result was an 'outstanding' achievement in six priorities and a 'satisfactory' result in the seventh priority. These excellent results reflect the significant dedication and effort of all staff across the year.

Future challenges

Council will be heavily involved in establishing water and sewerage distribution and retail companies over the next two years, as part of the state government's water reform agenda. The effects of the complete transfer of our water, sewerage, and trade waste operations by 30 June 2010 will become clearer over the next six months. It will be a challenging time for all staff involved.

This year we introduced an organisation-wide Workforce Planning System as one of the components of our strategy to address staff attraction and retention in a demanding and competitive employment environment. We are committed to developing and maintaining our skilled and professional staff over the coming years.

Our thanks go to all staff for their commitment, dedication, and achievements over the past year.

We also acknowledge the Mayor and Councillors of both the pre and post March 2008 Council for their continued support and leadership during the past year.

Executive Leadership Group

September 2008

Mayor and Councillors



Mayor
Melva E Hobson PSM
elected March 2008
 Tel: 3829 8623 0433 214 320
 mayor@redland.qld.gov.au
Until March 2008
 Don Seccombe *elected March 2000*



Division 1
 Wellington Point/Ormiston
Cr Wendy Boglary
elected March 2008
 Tel: 3829 8619 0408 543 583
 wendy.boglary@redland.qld.gov.au
Until March 2008
 Alan Barker *elected March 2004*



Division 6
 Mt Cotton/Sheldon/Capalaba/
 Thornlands/Victoria Point/Redland Bay
Cr Toni Bowler (Deputy Mayor)
elected March 1994
 Tel: 3829 8606 0402 323 704
 toni.bowler@redland.qld.gov.au



Division 2
 Cleveland/North Stradbroke Island
Cr Craig Ogilvie
elected March 2004
 Tel: 3829 8607 0409 645 672
 craig.ogilvie@redland.qld.gov.au



Division 7
 Alexandra Hills/Capalaba
Cr Murray Elliott
elected March 1997
 Tel: 3829 8732 0418 780 824
 murray.elliott@redland.qld.gov.au



Division 3
 Cleveland South/Thornlands
Cr Debra Henry
elected March 2004
 Tel: 3829 8618 0439 914 631
 debra.henry@redland.qld.gov.au



Division 8
 Birkdale South/Alexandra Hills
Cr Kathy Reimers
elected March 2008
 Tel: 3829 8600 0408 736 893
 kathy.reimers@redland.qld.gov.au
Until March 2008
 Alan Beard *elected March 1994*



Division 4
 Victoria Point/Coochiemudlo Island
Cr Peter Dowling
elected March 2000
 Tel: 3829 8603 0413 210 772
 peter.dowling@redland.qld.gov.au



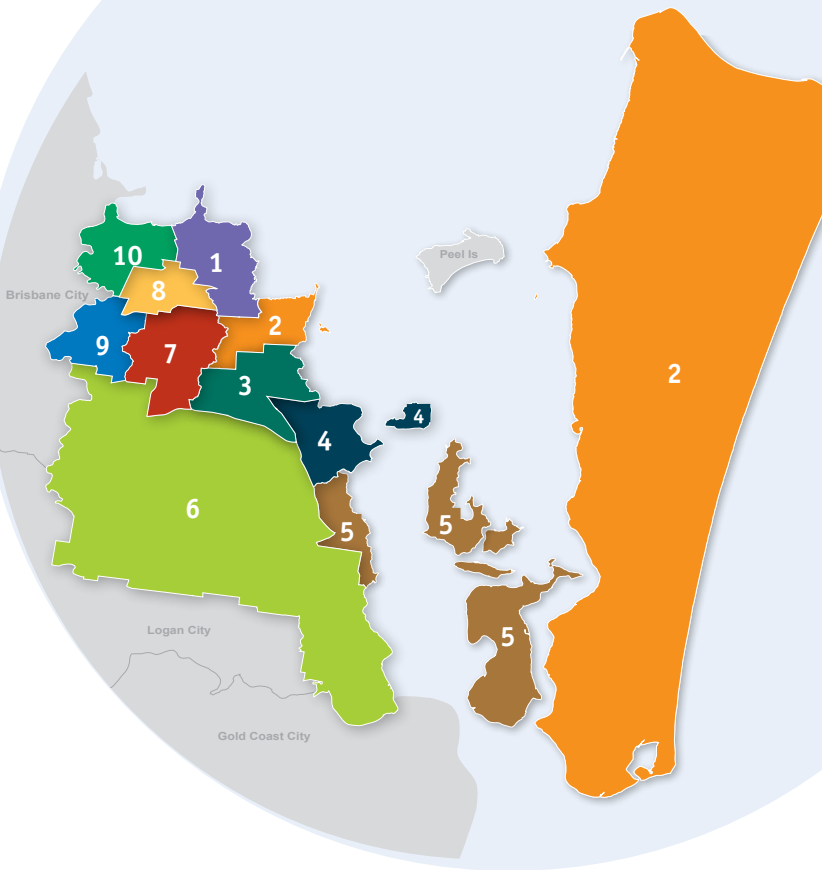
Division 9
 Capalaba
Cr Karen Williams
elected March 2004
 Tel: 3829 8620 0416 123 588
 karen.williams@redland.qld.gov.au



Division 5
 Redland Bay/Bay Islands
Cr Barbara Townsend
elected March 2008
 Tel: 3829 8604 0423 081 296
 barbara.townsend@redland.qld.gov.au
Until March 2008
 John Burns *elected March 2004*



Division 10
 Birkdale/Thornside
Cr Helen Murray
elected March 1994
 Tel: 3829 8605 0413 533 186
 helen.murray@redland.qld.gov.au



Councillors' remuneration table as at June 2008

Name	Gross salary	Electorate allowance	Telephone allowance	Home Internet & allowance	Superannuation contributions & allowance	Mobile telephone	Transport	Conferences	Total
Mayor Hobson	36,410.33	0.00	0.00	0.00	4,369.28	0.00	0.00	850.00	41,629.61
Div 1: Cr Boglary	23,170.19	0.00	0.00	0.00	2,780.44	0.00	0.00	0.00	25,950.63
Div. 2: Cr Ogilvie	79,538.16	1,224.78	1,224.78	222.72	9,544.54	0.00	13,056.04	0.00	104,811.02
Div. 3: Cr Henry	79,538.16	1,224.78	1,224.78	222.72	9,544.55	0.00	11,293.01	2,090.21	105,138.21
Div. 4: Cr Dowling	88,932.62	2,041.36	1,224.78	0.00	10,672.00	3,017.93	12,658.59	2,980.29	121,527.56
Div 5: Cr Townsend	23,170.19	0.00	0.00	0.00	2,780.44	0.00	0.00	0.00	25,950.63
Div. 6: Cr Bowler	82,020.71	1,224.78	1,224.78	222.72	9,842.46	0.00	8,983.18	5,110.65	108,629.28
Div. 7: Cr Elliott	79,538.16	1,224.78	1,224.78	222.72	9,544.55	0.00	8,944.08	940.91	101,639.98
Div. 9: Cr Williams	79,538.16	1,224.78	1,224.78	222.72	9,544.55	0.00	12,888.18	690.00	105,333.17
Div 8: Cr Reimers	23,170.19	0.00	0.00	0.00	2,780.44	0.00	0.00	0.00	25,950.63
Div. 10: Cr Murray	79,538.16	1,224.78	1,224.78	222.72	9,544.55	0.00	8,907.72	0.00	100,662.71
Mayor Seccombe	93,946.42	8,907.72	1,224.78	0.00	11,273.54	381.58	10,879.95	3,382.24	129,996.23
Div. 1: Cr Barker	56,367.98	1,224.78	1,224.78	222.72	6,764.11	0.00	7,405.28	0.00	73,209.65
Div. 5: Cr Burns	56,367.98	1,224.78	1,224.78	222.72	6,764.11	0.00	14,015.54	5,136.00	84,955.91
Div. 8: Cr Beard	56,367.98	1,224.78	1,224.78	222.72	6,764.16	0.00	11,589.50	0.00	77,393.92
	937,615.39	21,972.08	13,472.56	2,004.50	112,513.72	3,399.51	120,621.08	21,180.30	1,232,779.13
								Support costs	470,917.51
								Total cost	1,703,696.64

* Costs include travel to islands

Councillor remuneration

1 August 2007

On 1 August 2007, Council resolved to adopt the Councillors' Entitlement Guideline, GL-248-002 (see Appendix A at the end of this annual report).

Under s.446-5 of Schedule 1 to the *Taxation Administration Act 1953* (TAA), Council also resolved on 1 August 2007 that Councillors would be subject to Pay As You Go (PAYG) withholding provisions of the TAA. This resolution took effect from 5 August.

1 April 2008

At the post election meeting of 1 April 2008, under s.236A of the *Local Government Act*, Council resolved the following:

1. That the base salary of the Mayor, Deputy Mayor, and Councillors be set at the following percentages of the base salary of a Queensland State MLA:
 - a. Mayor 110%
 - b. Deputy Mayor 77.5%
 - c. Councillor 70%.
2. That these salary levels apply from the commencement of business on Thursday, 27 March 2008.
3. That in accordance with section 236A (1) and (2b) of the *Local Government Act 1993* this resolution remain in force until the 31st December 2008.

Expenses Reimbursement Policy

At the post-election meeting on 1 April, Council resolved under s.236B to adopt a Transitional Expenses Reimbursement Policy for Local Government Councillors until further resolution to adopt a Redland City Council policy in this matter (see Appendix B at the end of this annual report).

28 May 2008

On 28 May 2008, Council resolved as follows, regarding the administration of the Expenses Reimbursement Policy:

1. That Council resolve to delegate authority to the Mayor for the Expenses Reimbursement and Provision of Facilities for Councillors Policy:
 - a) approval for attendance, including any travel, by Councillors at mandatory training or conferences within Australia
 - b) approval for attendance, including travel, by Councillors at discretionary training or conferences within Australia
 - c) approval for attendance, including travel, by a Councillor at any event as a delegate or representative of Council for which reimbursement of expenses is sought.
2. That Council resolve to delegate authority to the Chief Executive Officer for the Expenses Reimbursement and Provision of Facilities for Councillors Policy:
 - d) approval for attendance, including any travel, by the Mayor at mandatory training or conferences within Australia
 - e) approval for attendance, including travel, by the Mayor at discretionary training or conferences within Australia
 - f) approval for attendance, including travel, by the Mayor at any event as a delegate or representative of Council for which reimbursement of expenses is sought
 - g) approval of reimbursement of expenses to the Mayor and Councillors in accordance with the Expenses reimbursement and Provision of Facilities for Councillors Policy.



Totals of meetings attended July 2007 - March 2008

Meeting name	Cr Seccombe Mayor Chair GM	Cr Barker Division 1 Chair RW&W	Cr Ogilvie Division 2	Cr Henry Division 3	Cr Dowling Division 4	Cr Burns Division 5 Chair P&P	Cr Bowler Division 6	Cr Elliott Division 7	Cr Beard Division 8 Chair DAC	Cr Williams Division 9 Chair F&CM	Cr Murray Division 10	Total number of meetings
General Meeting	8	10	10	10	10	10	9	10	9	9	8	10
Development Assessment Committee	15	15	14	13	14	15	15	15	15	14	15	15
Planning and Policy Committee	8	8	8	8	8	7	7	8	8	7	8	8
Finance and Corporate Management	8	7	8	7	7	4	8	8	8	8	7	8
Redland Water & Waste Committee	6	7	8	7	8	7	7	8	8	8	7	8
Totals	45	47	48	45	47	43	46	49	48	46	45	49

Totals of meetings attended April 2008 - June 2008

Meeting name	Mayor Hobson Chair GM	Cr Bogleary Division 1	Cr Ogilvie Division 2 Alternate Chair P&P	Cr Henry Division 3 Chair RW&W	Cr Dowling Division 4	Cr Townsend Division 5 Chair F&CM	Cr Bowler Division 6	Cr Elliott Division 7 Chair DAC	Cr Reimers Division 8	Cr Williams Division 9	Cr Murray Division 10 Alternate Chair P&P	Total number of meetings
General Meeting	4	4	4	4	4	4	4	4	4	4	3	4
Development Assessment Committee	7	7	6	6	6	7	7	7	7	7	5	7
Planning and Policy Committee	3	5	4	5	5	4	4	5	5	5	5	5
Finance and Corporate Management	3	3	3	3	3	3	3	3	3	3	3	3
Redland Water & Waste Committee	3	3	2	3	3	3	3	3	3	3	3	3
Totals	20	22	19	21	21	21	21	22	22	22	19	22

Appointments to committees and other bodies 2007-08

April 2008 to June 30 2008

Redland City Council Audit Committee	Mayor Melva Hobson Cr Toni Bowler Cr Barbara Townsend
Contiguous Local Authority Group (CLAG)	Cr Peter Dowling Cr Barbara Townsend
Council of Mayors (SEQ)	Mayor Melva Hobson
Council of Mayors (SEQ) Environment and Sustainability Committee	Mayor Melva Hobson (Deputy Chair)
Council of Mayors (SEQ) Regional Plan and Growth Management Committee	Cr Toni Bowler Cr Debra Henry (Proxy)
Council of Mayors (SEQ) Infrastructure Committee	Cr Murray Elliott Cr Craig Ogilvie (Proxy)
Counter Disaster Coordination Committee	Cr Wendy Boglary Cr Murray Elliott
Donald Simpson Over 50's Leisure Centre Board Of Management	Mayor Melva Hobson Cr Craig Ogilvie
Mayor's Moreton Bay Taskforce	Mayor Melva Hobson
Museum Advisory Committee	Cr Kathy Reimers
Police Citizens' Youth Club Management Committee	Cr Toni Bowler
Redlands Advisory Group on the Ageing (RAGOSI)	Mayor Melva Hobson Cr Wendy Boglary Cr Karen Williams
Redlands Bicycle Advisory Committee	Cr Toni Bowler
Regional Arts Development Fund Committee (RADF)	Cr Karen Williams (Chair until August 08) Cr Helen Murray (Chair effective August 08) Cr Debra Henry (effective August 08)

2004 - March 2008

Redland City Council Audit Committee	Mayor Don Seccombe Cr Peter Dowling Cr Karen Williams
Contiguous Local Authority Group (CLAG) Management Committee	Cr John Burns Cr Peter Dowling
Council of Mayors (SEQ)	Mayor Don Seccombe
Council of Mayors (SEQ) Environment Working Group	Cr Alan Beard
Council of Mayors (SEQ) Regional Plan Committee	Mayor Don Seccombe (Chair) Cr Alan Beard
Counter Disaster Coordination Committee	Cr Karen Williams Cr Craig Ogilvie (alternate)
Donald Simpson Over 50's Leisure Centre Board of Management	Mayor Don Seccombe Cr Craig Ogilvie
Greenspace Enhancement Advisory Group	Cr Alan Beard (Chair) Cr Peter Dowling Cr Craig Ogilvie Cr Debra Henry
Mayor's Moreton Bay Taskforce	Mayor Don Seccombe
Moreton Bay Implementation Group	Mayor Don Seccombe (Chair)
Moreton Bay Waterways Catchments Partnership Policy Council	Mayor Don Seccombe
Moreton South Institute TAFE M.S.I.T. Institute Advisory Council	Mayor Don Seccombe
Museum Advisory Committee	Mayor Don Seccombe Cr Alan Barker

Police Citizens' Youth Club Management Committee	Mayor Don Seccombe (Patron) Cr Karen Williams
Redlands Bicycle Advisory Committee (REDBAC)	Cr Toni Bowler
Redlands Advisory Group on the Ageing (RAGOSI)	Mayor Don Seccombe (Chair) Cr Alan Beard Cr Karen Williams
Redlands Community Safety Committee	Cr Debra Henry Cr Peter Dowling
Redlands Transport Implementation Group	Mayor Don Seccombe (Chair) Cr Murray Elliott Cr Helen Murray
Regional Arts Development Fund Committee (RADF)	Cr Karen Williams Cr Alan Beard
Regional Coordination Committee	Mayor Don Seccombe
South East Thornlands Community Reference Group Meeting	Mayor Don Seccombe (Chair) Cr John Burns Cr Debra Henry
Southern Regional Organisation of Councils (SOUTHROC)	Mayor Don Seccombe (Chair) Cr Alan Beard (Proxy)
SouthROC Regional Road Group	Mayor Don Seccombe (Chair)
SouthROC Regional Plan Working Group	Mayor Don Seccombe (Chair)
SouthROC Economic Development Forum	Cr Karen Williams (Proxy)
SouthROC Regional Landscape Open Space Advisory Committee	Cr Alan Beard

Executive Leadership Group

Chief Executive Officer



Gary Stevenson

Gary Stevenson PSM, FLGMA (Life) - appointed September 2008

BE (Civil); MBA

Past President of the Queensland Division of Local Government Managers Australia (LGMA)

Gary comes to the Redlands with 27 years' experience in local government. A Public Service Medal recipient, Gary has worked as a civil engineer and served in local government senior management roles, including 10 years as Rockhampton's CEO and four years as CEO of Corangamite Shire Council.

Susan Rankin - August 2002 - April 2008

B Comm; Dip Ed; CPA; MAICD

Susan had extensive experience in banking, mining and chartered accounting practices and served as Chief Executive Officer for six years. Susan left Council in April 2008.

Acting Chief Executive Officer

From April to September 2008, Ray Turner and Greg Underwood shared this role.

General Manager, Corporate Services

Ray Turner – appointed April 2002

B Bus (Acctcy); FCPA; MAICD

Fellow of CPA Australia; Member of the Australian Institute of Company Directors

Before joining Redland City, Ray held senior management positions in public and private sector organisations over many years as well as operating his own business for eight years. Providing the best value-added internal services to create a strong, accountable and sustainable organisation is the centre of his plan for Corporate Services.



Ray Turner



Greg Underwood

General Manager, Planning and Policy

Greg Underwood – appointed September 2006

B.E. (Hons); F.I.E. Aust; RPEQ

Greg has been a senior council manager in Queensland for more than 15 years, involved in strategic town planning in far North Queensland before coming to the Redlands. Greg also held senior management positions at Maitland City and Narrabri Shire Councils in NSW. Greg is committed to sustainable strategic planning initiatives and policies in environmental management, community and social infrastructure and services, sustainable urban and enterprise area development and associated open space and infrastructure provision.



Lex Smith

General Manager, Customer Services

Lex Smith – Acting General Manager, appointed June 2008

B. Ed, Dip Teach; Grad Cert Env Mgt

Member of the Australian Institute of Project Management (APIM); Foundation Member of Parks and Leisure Australia (PLA)

Lex served with the Royal Australian Army for six years, as well as gaining extensive qualifications and experience in teaching and environment before joining Council. Lex has been a senior manager with Council for 14 years and focuses on working with all levels of staff to help enhance the environment, meet community expectations and continually deliver the organisation's capital works program on time and budget.

Michael Goode – March 2003 – June 2008

Michael had worked in senior management for approximately 15 years and had extensive experience across a broad range of disciplines. Michael left Council in June 2008.



Gary Soutar

General Manager, Redland Water & Waste

Gary Soutar – General Manager, appointed January 2008

B.ENG (CIVIL) RPEQ

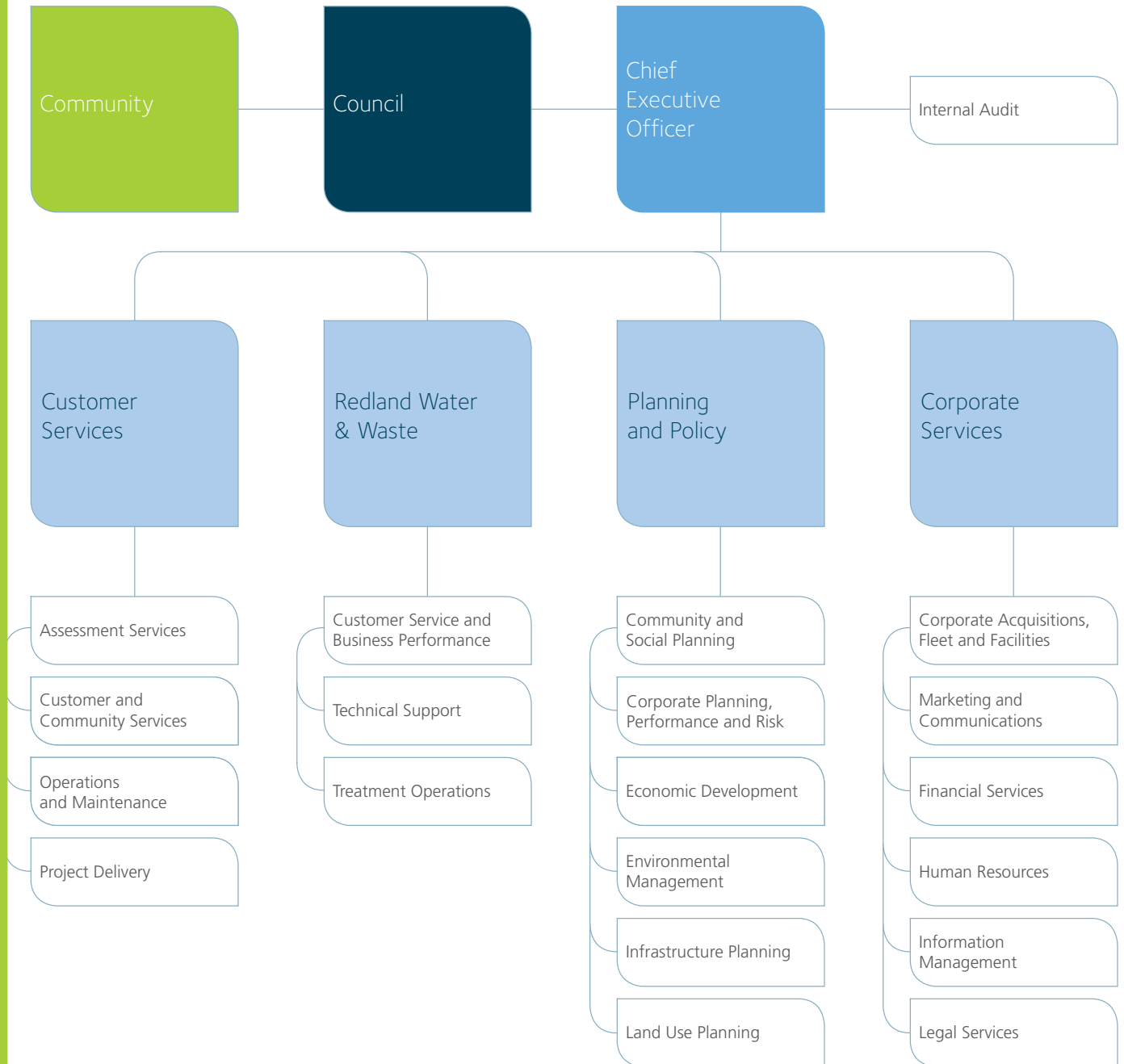
With 23 years' experience at Redland City Council, Gary held senior management positions before being appointed General Manager. With the transfer of assets and staff due to the state government's water reforms, Gary's focus is maintaining quality water and wastewater services for the Redlands' community during the transition period.

Jim Pruss – June 2005 – January 2008

B. Sc; M. Comm

For 15 years Jim held a number of senior positions at the Sydney Water Corporation before his three-year role as Redland Water & Waste General Manager. Jim left Council in January 2008 to join the new state government Bulk water Authority as part of the water reform process.

Organisational structure



REDLAND CITY COUNCIL



Who we are – Our people

Progressive professionals committed to the community

Human Resource Management Plan

Council's Human Resources Management Plan is aimed at attracting and retaining employees who understand the importance of balancing community service and professional growth. Council's goal is to provide a safe, healthy and rewarding environment where our employees can reach their personal career goals.

Values

Our policies and programs are based on customer service, ethics, continuous improvement, social justice, value and sustainability. Our Equal Employment Opportunity and Equity and Diversity strategies

enhance the value of diversity across Council. Continuous training and policy reviews make sure our workplace is free from harassment or bullying.

Opportunities

Excellent career opportunities are available at Council in a wide variety of professional areas, from engineering and environmental planning to accounting and information technology. Our employees enjoy such work benefits as additional employer payments to superannuation, further education assistance, competitive vehicle leasing, a wellness program and one of the highest pay rates of local authorities in Queensland.



Employee development

Currently 70 employees are approved for assistance with tertiary studies, with 31 claiming reimbursements for the last financial year.

- 51 employees are undertaking Certificate IV qualifications with 15 employees progressing onto the diploma level
- 111 employees attended Council's customer service orientated 'Hooked on Service' training course
- there were 1,032 registrations for development training.

Council has eight full time trainees in business administration and horticulture studies. These traineeships enable people to gain work experience and skills and complete certificate level studies with the aim of improving their employment opportunities.

Leadership and workforce development

A leadership project to identify key leadership skills and link appropriate development activities is under way at Council. This includes a complete review of all leadership training being delivered. In 2007-08, 161 employees completed the Leadership and Workforce Development modules; 95 employees attended Leadership Training and 66 employees attended Workforce Development Training.

Planning for performance

Council has enhanced its training programs that support activities related to performance management of staff. Appraisals include an optional individual development plan that allows employees to drive their own learning and development.

Equity application

Council strives to eliminate harassment and unfair discrimination in the workplace through an extensive training program supported by the harassment contact officer network. This network includes frontline equity officers who are readily available for staff to contact.

Workplace health and safety

While the total number of claims, including lost time claims, decreased in 2007/08, a significant increase in the total number of hours lost through workplace injury/illness was noted. This increase was caused by a small number of particularly lengthy claims that skewed the overall result.

Council has a workplace health and safety action plan which is enforced throughout the organisation to ensure that each element of our safety management system is kept up to date and communicated to all staff. All injuries that occur are investigated to determine whether they were in any way preventable and the information from these investigations is fed back into Council's workplace health and safety program. A reduction in the overall number and severity of incidents is a priority for Council and the program in place should ensure ongoing improvement in the year's ahead.



Council staff at a glance

Full-time equivalent (FTE) employees (excluding casual)	812
New FTE positions in 2007-08	11
Employees recruited:	
• Internal	158 (63.45%)
• External	91 (36.55%)
• Total appointments	249
Employees turnover rate	21.80%
Employee-initiated separation	75%
Employees redeployed and/or retrained due to redundancy	1.60%
Employees covered by Enterprise Bargaining Agreement 6 (extended until June 30 2009)	96.8%

Gender balance	Female	Male
Gender Executive Leadership Group/Senior Management Group	7 (27%)	19 (73%)
Gender balance elected representatives	8 (73%)	3 (27%)
Gender balance employees	55%	45%

Corporate staff profile

Permanent	720
Perm/part-time	50
Perm job share	9
Contract of service	33
Casual	138

Staff injuries resulting in claims

	2006-07	2007-08
Injury location (top 6) (number of claims)		
1. Fingers	3	7
2. Lower back	16	6
3. Arm	3	4
4. Elbow	2	4
5. Neck	2	4
6. Shoulder	5	4

Most common injuries (and number of claims)

1. Sprains and strains	36	18
2. Wounds, lacerations and bruising	9	12
3. Musculoskeletal disease/injuries	8	8

Workers' compensation hours lost

Total claims	63	53
Lost time claims	33	28
Total hours lost	3,057	6,678



Corporate governance

Accountable and effective processes

Executive overview

Council undertakes executive overview through the use of standing committees. These are committee meetings that have defined roles and responsibilities and where elected members and senior Council officers contribute to discussion.

Final decisions are made by elected members through an open vote. Officers provide independent advice to elected members to assist their decision-making, but do not vote on decisions.

Committee recommendations are reported to the monthly General Meeting of Council, where Council collectively makes final decisions. The exception is with the Development Assessment Committee, which has delegated authority to make some decisions without going to the General Meeting.

General Meeting of Council

The General Meeting:

- refers matters to relevant committees
- reviews recommendations made by committees
- accepts reports from committees and makes decisions on matters before Council
- is a forum for members of the community to voice their issues.

Council must make sure decision-making supports the community vision and Corporate Plan in accordance with the *Local Government Act 1993* and other legislation.

The *Local Government Act 1993* also requires elected members to declare any material personal interest in matters before Council and to remove themselves from any discussions and decision-making on that matter. For a Councillor to have a material personal interest, there must be an expectation of personal benefit, gain or loss for the Councillor or an associate. A register listing Councillors' material personal interests is maintained.

Councillors' code of conduct and general complaints process

Amendments to the *Local Government Act 1993* (the Act), which became law 31 May 2005, provide a regulatory framework for the adoption and enforcement of Councillor codes of conduct in Queensland.

On 1 February 2006, Redland City Council adopted the Councillor Code of Conduct in accordance with the procedures set down in the Act. The code replaces the Councillors' Charter adopted by Council 18 December 2002. The code provides Councillors with a frame of reference about their roles, obligations and acceptable behavioural standards.

On 1 February 2006, Council also adopted the general complaints process in accordance with Section 501D and requirements set out in Section 501E of the Act. The general complaints process provides the procedural framework for resolving complaints about administrative action, minor breaches of the code of conduct by a Councillor and complaints concerning officers of Council.

During 2007–08 the following statistics are reported in accordance with the requirements of Section 534(1)(n) of the Act, for the Councillors'



Code of Conduct, and Section 501E(1)(j) of the Act for general complaints process.

- (i) There were four complaints about alleged code of conduct breaches by Councillors that were referred to the conduct review panel during the year.
- (ii) There were two breaches of the local government's code of conduct committed by Councillors:
 - on 1 August 2007, Council resolved that Cr Helen Murray breached Section 250(2) of the Local Government Act and Sections 6.3.1 and 6.3.3 of the Councillors' Code of Conduct and a two-meeting suspension and written reprimand were imposed
 - on 30 January 2008, Council resolved that Cr Murray Elliott breached Section 3.4 of the Councillors' Code of Conduct and a written reprimand was imposed.
- (iii) There were 11 recommendations made by the conduct review panel that were adopted.
- (iv) There were 23 complaints made and resolved under Council's general complaints process.
- (v) There was one complaint made to the Ombudsman's Office during the year about advice provided by Council in relation to obligations under the Water Act 2000.

Employee Code of Conduct

The Employee Code of Conduct assists Council in maintaining public trust and confidence in the integrity and professionalism of its employees by ensuring all employees maintain and enhance Council's reputation.

Employees are required to display the personal and professional behaviours that could be reasonably expected from persons holding positions that serve the community.

More specifically, it requires employees to perform professional duties with care, skill, fairness and diligence. Employees are required to engage in ethical conduct, treat all others with courtesy and respect the rights of others.

The code of conduct is taken into account in the development and preparation of Council's policies and guidelines. All new employees are provided with training regarding their obligations under the code of conduct. Any alleged breaches of the code are investigated in accordance with Council's guidelines.

Internal Audit

Internal Audit provides the CEO and senior management with assurance that internal control systems are efficient, effective and economically viable, and that risk is appropriately addressed so objectives can be met.

Internal Audit operates as an independent function within Council, reporting directly to the CEO. Internal Audit reviews and advises on:

- legislative and policy compliances
- operational cost-effectiveness and efficiency
- reliability of financial and related management information
- use of public funds and assets under Council's control
- adequacy and accuracy of accounting and computing systems.

Internal Audit also:

- conducts investigations requested by the CEO
- provides an advisory function concerning business improvement processes and systems of internal controls.

In 2007–08, its findings confirmed that a satisfactory internal control environment appears to exist within Council.

Major achievements:

- Completed all major tasks included in the 2007–08 Annual Audit Plan.
- Released 24 audit reports.
- Strengthened relationships by providing advisory services to committees and user groups within Council.
- Continued to improve professionalism by reviewing and updating procedures and operating manuals for quality control.

Audit Committee

The Audit Committee comprises the Mayor, the Deputy Mayor, Chair of the Finance and Corporate Management Committee and the Chief Executive Officer. It is chaired by an independent external appointee, Len Scanlan, the former Auditor-General of Queensland.

The primary objective of the Audit Committee is to assist Council in fulfilling its corporate governance role and oversight of financial management and reporting responsibilities imposed under the *Financial Administration and Audit Act 1997*, the *Local Government Act 1993* and other relevant legislation.

The Audit Committee performs an independent overview of the financial and management operations of Council, including the internal and external auditing role.

Major achievements:

- Endorsed the risk-based 2007–08 Internal Audit Plan.
- Reviewed quarterly end-of-year financial information.
- Reviewed audit reports and action taken to address recommendations.
- Monitored Internal Audit performance against the approved 2007–08 Audit Plan targets.
- Checked the resolution of prior-period Queensland Audit Office audit issues.
- Reviewed changes in accounting practices and policies.

Under its charter, the committee meets quarterly. The external and internal auditors and the four General Managers attend each meeting.

External audit

Council is audited annually by the state government's Queensland Audit Office. This provides a statutory mechanism for external review of Council's financial operations and other corporate matters affecting the sound management of the organisation.



The role of policy

Council is committed to being a policy-driven organisation. It has many practices and systems in place dealing with staff, community, suppliers and other stakeholders as part of its desire to be a good corporate citizen.

Policies/equal employment opportunity

Council has policies on anti-workplace bullying, equal employment opportunity and preventing sexual harassment.

A team of workplace harassment officers acts as a contact point for all staff. (More information on our equal employment opportunity activities can be found in 'Our people' from page 19).

Asset management

Council manages a large and diverse fixed asset portfolio with a high financial replacement value. To aid the management of these assets, a Total Asset Management Plan framework has been adopted to facilitate improvements through the acquisition, maintenance, operational and disposal phases of an asset's lifecycle.

Driving the implementation of this overarching framework is the preparation of Individual Asset Management Plans.

As at 30 June 2008, 26 individual plans had been developed for the assets within these groups. Each plan is specific to a group and is structured to cover six major deliverables that are financial issues, including:

- budgeting, grants and depreciation
- asset management, including maintenance and capital renewals
- service level capabilities
- performance monitoring
- environmental management and risk management.

An improvement program with a table listing action items with designated timelines for completion is a key feature incorporated within each plan. Completion of this program assists in incorporating continuous improvement principles to manage the asset portfolio. Every month, the numbers of completed action items are reviewed against the numbers due and this percentage is reported through Council's balanced scorecard program.

Compliance

Council is committed to ensuring compliance with legislation, standards and policies. To provide assurance that compliance requirements are being met, a questionnaire is distributed quarterly to identify non-compliances, which are provided to the Audit Committee for consideration. The questionnaire was reviewed during the year and amended to improve clarity and understanding.



Risk management

Council has endorsed and implemented a risk management framework and process based on the Australian Standard for Risk Management, AS/NZS 4360:2004.

The Risk Management Policy and Strategy aims to achieve best practice in managing the risks Council is exposed to. It identifies and addresses priority exposures and incorporates risk management strategies, risk improvements and contingency planning into Council's business.

Ongoing risk is monitored and reviewed to account for changes in Council's operations and to enable well-informed decisions on risk controls.

Strategic, operational and activity risks across Council have been identified and assessed as to likelihood and consequence. Current and future treatments and control measures have also been established.

Risk registers for all activity-level risks across Council were reviewed and updated using AS/NZS 4360:2004. This ensures effective management of risks to project delivery, initiatives and activities.

Available risk management control measures include insurance. In accordance with the *Local Government Act 1993*, Council holds public liability, professional indemnity and fidelity guarantee insurances and also insures its property assets and other major risks such as personal accident.

Council is a licensed Workers' Compensation self-insurer. Successive independent audits have highlighted Council's commitment to best practice, legislative compliance and continuous improvement.

During the year, Council received the Local Government Mutual Risk Management Excellence Award that recognises innovation and initiatives in risk management. Council was also presented with an award as a category winner for efficiency improvement in the 2007 National Awards for Local Government.

Performance management

Council has adopted a performance management framework to make sure our annual program is driven by our corporate plan and to monitor progress on the delivery of our commitments. This framework includes assessing the progress of implementing Council's Corporate and Operational Plans, and includes the following key elements:

1. Monthly Council Performance Report

The Corporate Balanced Scorecard reports to Council the organisation's overall performance outcomes. It comprises a set of high level KPIs developed to reflect financial, customer service and business process performance. This report provides Council with a progressive snapshot on how the organisation is performing during the year and is tabled at each General Meeting. The reports are available for public access on Council's website as part of the meeting minutes.

2. Quarterly Operational Plan Report

The quarterly report to Council provides an assessment of progress against the performance targets and initiatives identified in the Operational Plan. This more comprehensive report shows progress against key indicators and on significant projects and initiatives. It is available to the public as part of the agenda and minutes for each General Meeting.

3. Business plan and service level agreement (SLA) reports

Business units report regularly to Council and the CEO on significant activities and their achievement against service level agreement targets. This report focuses on performance at a major activity or project level and is regularly used by management to monitor planned progress in regular service delivery areas.



Performance reporting
to management and staff

Achievements and future direction

'The Year Ahead': Review achievements and major projects/ initiatives for the next year

Corporate Plan

Operational measures

Quarterly: Department and Group Balanced Scorecards (BSCs)

Operational Plan

Significant capital works and operational projects/initiatives

Annual budget

Service level measures

Quarterly: Department and Group BSCs (quarterly) and SLA progress reports
Intranet: Reports available to Councillors, management and staff

Service level agreements

Commercialised Business Unit Plan

Individual measures

Quarterly: Informal review against performance goals
Annual: Formal performance appraisal (all staff), Performance Agreement assessment of achievement (CEO, GMs and managers)

Performance appraisals

Individual development plans

Performance reporting
to council and community

Strategic measures

Annual Report: Key milestones achieved towards Corporate Plan goals. Reporting on the organisation's performance using the Global Reporting Initiative (GRI)

Operational measures

Monthly Report: Corporate Scorecard comprising 11 key high-level measures (BSC)
Quarterly Report: Progress against Operational Plan targets and significant projects
Annual Report: Detailed achievements against Operational Plan, annual budget and projects
Internet: Reports available to the public

Service level measures

Monthly Report: Progress against RWW Performance Plan targets
Annual Report: Detailed achievements against RWW Performance Plan targets and financial statements
Internet: Reports available to the public



Freedom of Information

During 2007-08 there were 48 applications under the *Freedom of Information Act 1992* (the Act) and all except five proceeded to a formal decision on the release of the requested documents. Those five applications were either withdrawn by the applicant prior to a decision being finalised or lapsed due to the applicant's inaction. Significant improvements in our processes for managing Freedom of Information applications now means that over 90% of applications are finalised within 10 working days, well within the 45 days allowed under the Act.

Of the total applications received during the year, 12 related to personal affairs and 36 for non-personal affairs, a total of 974 documents were considered and 940 documents (95%) were either fully or partially released.

The Act enables applicants who are dissatisfied with a decision to release or exempt a document to appeal. The fact there were no applications to review our decisions this year is a strong indicator of both the quality of the service provided to our Freedom of Information customers and the quality of the decisions made.

Key corporate governance legislation in local government

Council must comply with a great deal of legislation, all aimed at better corporate governance outcomes for the community. The most important, from a corporate governance perspective, are:

- *Local Government Act 1993*
- *Freedom of Information Act 1992*
- *Crime and Misconduct Act 2001*
- *Judicial Review Act 1991*
- *Public Sector Ethics Act 1994*
- *Workplace Relations Act 1996*

Council also has a suite of policies that help to guide its activities and programs. At regular intervals, compliance with the above legislation, policies and related corporate governance requirements are assessed and reports of any non-compliance and remedial action to address any issues are provided to the Audit Committee.

Public Sectors Ethics Act 1994 – implementation statement

Redland City Council has in place an Employee Code of Conduct and a Councillor Code of Conduct. All staff and Councillors have free and open access to the codes.

The codes are also published on Council's website (www.redland.qld.gov.au) and are available to all members of the public for inspection.

Council has a range of education and training programs that include specific training on public sector ethics and our codes of conduct.

Council's procedures and practices have been developed with proper regard for the ethical obligations of staff and Councillors and compliance with the codes of conduct.



Revenue Policy

Head of Power

Section 513A of the Local Government Act 1993 requires that a local government must prepare and adopt a Revenue Policy.

Policy objective

The purpose of this Revenue Policy is to set out the principles used by Council for:

- the making of rates and charges
- the levying of rates
- the recovery of rates and charges
- the exercise of concession powers in relation to rates and charges.

Visit www.redland.qld.gov.au for the complete Revenue Policy in the Budget 2008-09.

Borrowing Policy

Head of Power

Section 4(d) of the Local Government Finance Standard 2005 states that a local government must develop a policy about borrowings. Furthermore Council's borrowing activities are governed by the *Statutory Bodies Financial Arrangements Act 1982* and Section 525 of the *Local Government Act 1993*.

Policy objective

The objective of the policy is to ensure the sound management of Council's existing and future debt. This policy is reviewed annually and amended as and when required to meet prevailing circumstances.

Visit www.redland.qld.gov.au for the complete Borrowing Policy in the Budget 2008-09.

The exercise of concession powers in relation to rates and charges

Chapter 14, part 6 of the *Local Government Act 1993* provides Council with the powers to grant concessions to individuals and classes of land owners.

Council has determined that pensioners, as defined by the *Local Government Act 1993*, are entitled to receive concessions on rates and various other services that Council provides to the community. Other charitable organisations, community groups, sporting associations, independent schools, and owners of heritage-protected properties may also be entitled to concessions.

In exercising these concession powers, Council will be guided by the principles of:

- equity, by treating situations of a like kind in a like manner
- transparency, by making clear the requirements necessary to receive concessions
- communication, by raising the awareness of target groups that may qualify for these concessions.



Standing committees 1 July 2007 – 30 June 2008

Planning and Policy Standing Committee

Charter

This committee exists to provide Council with advice and recommendations where it has considered reports on:

- development and review of corporate policies, including local laws and subordinate local laws
- management plans and strategies prepared to ensure delivery of the Corporate Plan priorities of natural environment, community health and wellbeing and economic growth
- establishment of strategic frameworks and statutory planning instruments to preserve a balance with rural, bushland, village and coastal character of the Redlands by managing urban growth
- submissions prepared on behalf of Council to various bodies on the impact of policies and laws adopted by other governments and organisations on the city and its community
- the provision of roads and drainage systems that facilitate efficient movement and preserve the integrity of the local environment
- infrastructure programs to provide choice of accessible, safe and convenient transport modes and waterways infrastructure.

All other matters that by law and policy, including tenders and contracts, relate exclusively to the Planning and Policy Group and require a decision of Council.

Some of the recommendations put forward to Council

- Research on introduction of carbon markets
- Petition (Division 10) – request for naming of park
- Road closure – Native Dog Creek Road, Redland Bay
- Trusteeship of riparian corridors for environmental purposes
- Proposed policy for naming parks and tracks
- Environmental charge land acquisition update and proposed future acquisitions
- Authorising the signing of Voluntary Conservation Agreement documents
- Point Lookout Gorge Walk refurbishment using bio-composite materials
- Next steps for Local Greenhouse Action Plan
- Proposal to create a new Redlands regional track park
- Memorandum of understanding – Dalpura Bay Park – Macleay Island
- Park naming requests
- Amalgamation of Eastern Escarpment Conservation Area and proposed permanent road closure for Schoeck Road, Mt Cotton
- Review of the Vegetation Enhancement Strategy
- State of the Environment Report 2008 for approval
- Interim Vegetation Protection Order for 68 Collingwood Road, Birkdale
- Redlands Koala Policy 2008 and Strategy
- Moreton Bay Marine Park Draft Zoning Plan
- Interim Vegetation Protection Order – Hardy Road Fig
- Powerline undergrounding update
- Vegetation Protection Order confirmation – Collingwood Road
- Interim Vegetation Protection Order – Beachcrest Road
- Biodiversity Strategy 2008–2012
- Shade in Parks Project – Councillor’s Community Benefit Fund – Division 6
- Environment Policy review



Redland Water & Waste Standing Committee

Charter

This committee provides Council with advice and recommendations where it has considered reports on:

- construction and maintenance of a high-quality water collection, treatment and distribution system
- provision of waste management operations that are economically and environmentally sustainable in the long term with a focus on customer service delivery, cost effectiveness and quality
- the business unit's performance, practices and processes to make sure they continually improve the way they operate
- financial planning to ensure the business unit has the financial capacity to deliver ongoing services with minimal risk exposure
- financially relevant, reliable and timely information on a monthly, quarterly and annual basis to enable the effective evaluation of the business unit's past performance.

All other matters that by law and policy, including tenders and contracts, relate exclusively to the Redland Water & Waste business unit and require a decision of Council.

Some of the recommendations put forward to Council

- Implemented Water Efficiency Management Plans for non-residential high water users and specific industry groups in line with south-east Queensland regional restrictions
- Continued participation in drought response programs for Pressure & Leakage Management, Home WaterWise Service, Business Water Efficiency Program
- Provided financial, operational and asset information to the Queensland Government as part of the water reform process
- Prepared an assessment on the stability of Leslie Harrison Dam
- Undertook an extensive water meter replacement program
- Reported to Council on potential sites for a new integrated waste management facility to replace Birkdale Landfill and mainland transfer stations
- Presented to Council a waste facility planning study for the Southern Moreton Bay Islands
- Prepared draft strategy for Redlands solid waste management
- Presented a planning assessment report to Council for an integrated waste management facility at Redland Bay
- Trialled an e-waste collection weekend
- Awarded tender for site management of island waste transfer stations
- Awarded tender for operation of gate houses at three waste handling facilities



Development Assessment Standing Committee

Charter

This committee determines, under delegated authority:

- development applications under the *Integrated Planning Act 1997*
- applications under Redland City Transitional Planning Scheme and Redlands Planning Scheme.

This delegation is subject to the condition that where the committee chair is required to use his/her casting vote to determine a decision, this decision is to be deferred and referred to the full Council for decision.

Some of the recommendations put forward to Council

Decided: 1112 development applications comprising:

- 654 material change in use
- 112 reconfigurations
- 265 superseded planning scheme applications
- 81 negotiated decisions

Finance and Corporate Management Standing Committee

Charter

This committee exists to provide Council with advice and recommendations where it has considered reports on:

- adoption of the Corporate and Operational Plans
- major tenders and contracts that have organisation-wide implications
- land resumptions
- adoption of organisational leadership initiatives
- the financial position of the organisation
- budget review
- the organisation's performance practices and processes to ensure continued improvement.

Some of the recommendations put forward to Council

- Monthly corporate financial reports
- Monthly corporate scorecard
- Adopt revised 2007-08 budget each quarter
- Quarterly Operational Plan performance report
- Adoption of corporate policy POL-3067 'Renewable Energy Incentives'
- Adoption of final State of the Environment Report 2008
- Adoption of Annual Report 2006-07
- Adoption of Local Disaster Management Plan Vol 10 – Public Health
- Adoption of Schedule of Fees & Charges 2008-09
- Adoption of Operational Plan 2008-09
- Adoption of corporate policy POL-3072 'Communications Policy'



General Meeting of Council 1 July 2007 – 30 June 2008

Charter

The General Meeting of Council is responsible for managing the business of Council. Council must ensure decision making that supports the achievement of the community vision and the Corporate Plan in accordance with the *Local Government Act 1993* and other legislation.

The General Meeting:

- refers matters to relevant committees
- reviews recommendations made by committees
- makes decisions on matters before the Council
- is a forum for members of the community to voice their issues.

Some of the recommendations put forward to Council

All matters brought forward from Standing Committees were considered at General Meetings of Council.

Special Council meetings 1 July 2007 – 30 June 2008

Charter

Special Meetings of Council may be called from time to time in addition to the adopted scheduled meetings.

Some of the recommendations put forward to Council

- Adoption of 2007/2008 Budget
- Declaration of office – newly elected Council
- Appointment of Deputy Mayor and Standing Committees
- Adoption of Councillors' Transitional Expenses Reimbursement Policy
- Appointment of Audit Committee
- Adoption of 2008/2009 Budget



Additional reporting

Section 24 of the Local Government Finance Standards requires the following disclosures in the annual report.

Services rendered by a consultant*

Storm tide risk assessment	\$99,001
Cities for Climate Protection	\$17,055
Biodiversity Strategy	\$29,960
Conservation Strategy	\$13,460
Natural area management research	\$39,088
Landfill site investigations program	\$123,913
Social Infrastructure Plan	\$55,113
Sports and Recreation Strategic Plan Physical Activity	\$27,160
Koala Summit	\$61,513
Macleay Island car park concept designs	\$45,030
Capalaba Transport Study	\$36,667
Development of new waste facility	\$32,815
Green Organic Waste Study	\$16,674
Contract resource	\$10,000
Southern Moreton Bay Islands waste facility planning investment	\$29,475
Water Supply and Sewerage Planning Infrastructure Programs	\$3,600
Environmental projects	\$43,288
Bulky waste transfer station	\$55,883
Macleay Island Waste Transfer Station	\$36,500
Total expenditure on services rendered by a consultant	\$776,193

*24(2) Consultant, for a local government, means an entity, other than an employee of the local government, that is engaged by the local government a) to give advice and make recommendations to the local government about a new concept, process or other matter the local government intends to implement; and b) for a fixed period and at an agreed rate of payment.

Entertainment and hospitality services

Special events	\$241,627
Catering	\$92,166
Meetings and seminars	\$41,319
Awards	\$52,204
Training courses	\$8,005
Other	\$25,597
Total expenditure on entertainment and hospitality services	\$460,920

Advertising

Advertising	\$419,080
-------------	-----------

Grants to community organisations

Grants to community organisations	\$1,496,556
-----------------------------------	-------------

Details of overseas travel

Employee	Position	Destination	Date	Purpose	Cost (excl. GST)
Alan Burgess	Manager - Economic Development	China	13 April - 2 May 2008	Visit Trade & Investment Office	\$9,580
Peter Dowling	Councillor*	New Zealand	26-29 June 2007	ICTC Society Conference	\$298
John Burns	Councillor*	United Kingdom	10-18 June 2007	LGAQ Study Tour	\$5,136
Total expenditure on overseas travel					\$15,014

**These councillors attended overseas conferences in 2006-07, however, as the total cost exceeded, in each case, the funds available to them in 2006-07, under the terms of the Councillor Entitlement Guideline applicable at the time, they were able to pay the difference personally and claim back up to the amount of funding available to them in the 2007-08 financial year.*



Corporate Plan 2006-2010

Providing our strategic direction

The Corporate Plan defines Council's strategic direction over a period of four years including:

- a vision or end-point to four successful years
- our mission, which sets out the business of this Council
- the values and principles essential to the achievement of our vision.

Our vision

'Enhancing community spirit, lifestyle and the natural environment'

Our mission:

Our mission, in partnership with our community, is to provide the best value in:

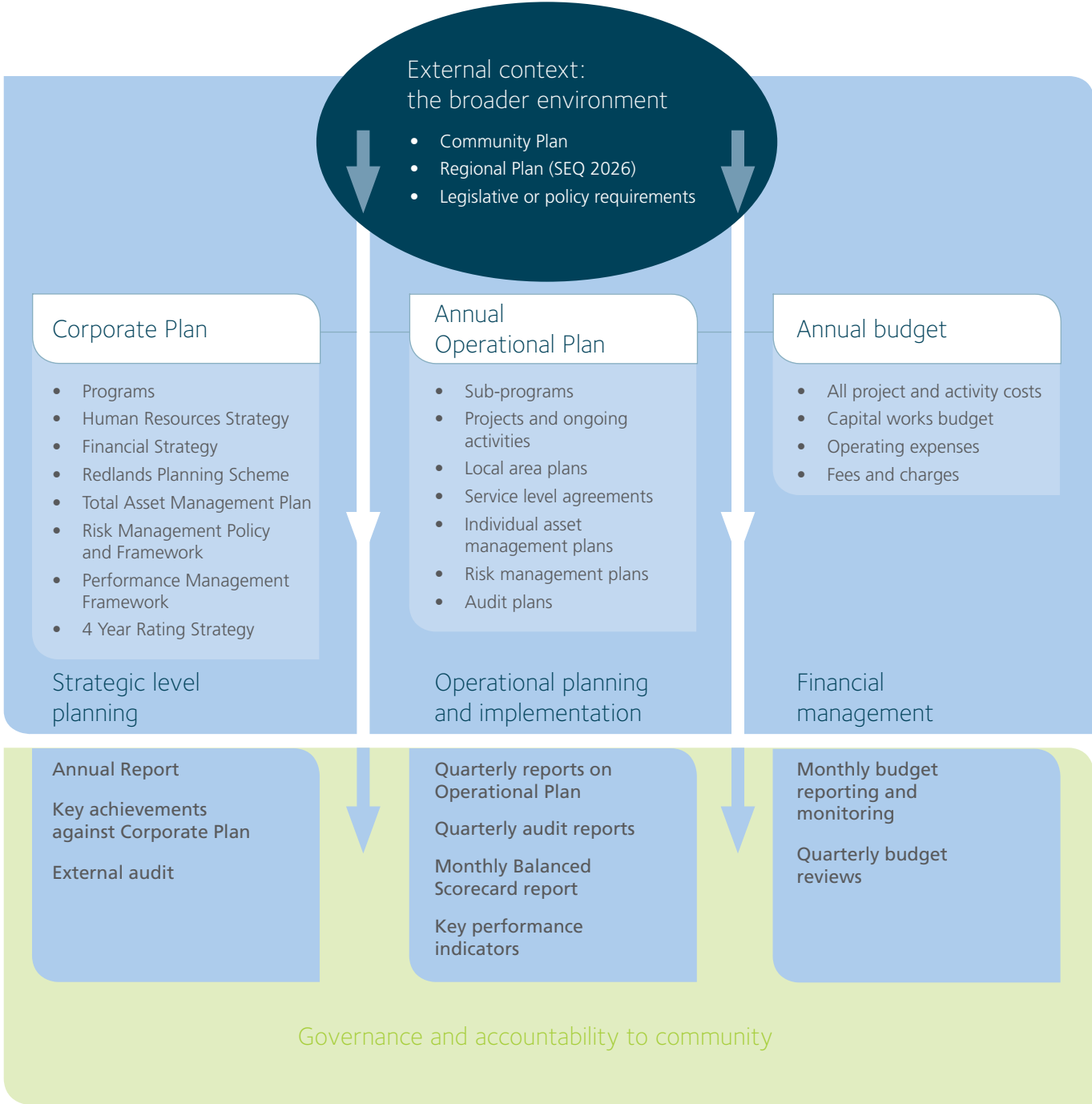
- leadership, planning and representation
- protection and maintenance of lifestyle and natural environment
- community and regulatory services
- infrastructure and facilities.

Our values:

- Customer service oriented
- Ethical
- Continuous improvement

Our guiding principles:

- Social justice
- Best value
- Sustainability
- Community Engagement





Strategic priorities

The strategic direction of Council is set out in greater detail through:

- strategic priorities or key theme areas that describe what Council wants to be 'known for'
- objectives for each strategy priority that clearly state what needs to be achieved to deliver on the strategic priority.

There are five externally focussed and two internally focussed strategic priorities:

External	Internal
<ul style="list-style-type: none"> • Natural environment • Land use • Essential services • Community health and wellbeing • Economic prosperity 	<ul style="list-style-type: none"> • Governance • Corporate services

The Corporate Plan reflects the more integrated role that Council now plays in building the capacity of our community to achieve a sustainable future. It makes sure we respond to local issues and act proactively to influence regional, state and federal initiatives and strategies.

The Corporate Plan's seven strategic priorities provide a clear focus for our operations. It is our most important plan, from which all other plans, strategies, policies and processes take their lead. It drives our annual Operational Plan, and in turn, our yearly budget.

Each year Council develops and adopts an annual Operational Plan that sets out the key outputs and activities for the year for each program in the Corporate Plan. This includes a range of significant initiatives, ongoing activities, and short, medium and long-term projects. Our budget directly aligns all projects and activities with the Corporate Plan's programs.



Doing business with Council

Building our local economy

Council purchases by location

Redland City	\$39,250,366
Rest of south-east Queensland	\$73,020,217
Rest of Queensland	\$1,833,613
Rest of Australia	\$13,775,195
Other	\$38,465

% of suppliers by location

Redland City	30.5%
Rest of south-east Queensland	50.8%
Rest of Queensland	1.5%
Rest of Australia	17.8%
Other	>0.3%

Corporate Purchasing Policy

All Council's purchasing activities, tenders and quotations are governed by Council's Purchasing Policy, the *Local Government Act 1993*, *Local Government Finance Standard 2005*, the State Purchasing Policy (where appropriate) and the *Trade Practices Act 1974*.

Council must follow the *Local Government Act* for all purchases over \$15,000 and up to \$150,000 by way of selective quotation. For purchases greater than \$150,000 Council must invite tenders. For purchases less than \$15,000 Council can provide its own policy.

This policy governs all Council purchasing activities, including business units, irrespective of value. The following principles are considered in all purchases:

- open and effective competition
- value for money
- advancement of government priorities
- enhancement of the capabilities of local business and industry
- environmental protection
- ethical behaviour and fair dealing.



Registers kept by Council

The following registers are available for public inspection:

- Register of Councillors' Interests, S.247 and register of Council officer interests, S.3119 of the *Local Government Act 1993*
- Minutes of Local Government Meetings, S.448 of the *Local Government Act 1993*
- Register of Delegations, S.472 of the *Local Government Act 1993* (to the Mayor, Chief Executive Officer, Standing Committee or Committee Chair)
- Register of Local Laws and Subordinate Local Laws, S.894 and S.895 of the *Local Government Act 1993*
- Register of Authorised Persons, S.1084 of the *Local Government Act 1993*
- Register of Delegation by CEO to Employees of Council, S.1132 of the *Local Government Act 1993*
- Register of Council Policies
- Register of Adopted Committee and Council Meeting Dates
- Register of Regulatory Fees, S.1071A(1)
- Register of Electoral Gifts, S.433 of the *Local Government Act 1993*
- Register of Roads in its Area, s.921 of the *Local Government Act 1993*

Change to tenders

There were no changes to tenders.

Expressions of interest

The following expressions of interest were called under S.489 (1) of the *Local Government Act 1993*:

- Internal Audit Services
- appointment of the Audit Committee Chair
- design, construction and operation of Redland's integrated waste management facility. PDG65014-001
- renewable energy generation.

National Competition Policy

Under section 846 of the *Local Government Act 1993*, Council must report on local government business entities where competitive neutrality principles apply.

Council has reviewed the application of the reforms and anticipated industry activity in each of the activities for the 2008-09 financial year. At the Finance and Corporate Management meeting of 23 April 2008, Council resolved to apply the code of competitive conduct to the following business activities for 2008/09:

- school age care
- caravan parks and camping
- Redland Performing Arts Centre
- building certification services.



Our achievements – Economic

Securing Redlands' future through partnerships

The development of strong strategic partnerships in 2007-08 enabled Council to support existing businesses, attract new business and raise Redland's profile as a desirable place to live, work and visit.

Such partnerships include Council's membership of Invest Brisbane, the Logan and Redlands Export Awards, Redlands Retail Awards, Redlands Business Achievement Awards and Business Futures Forum. These have helped encourage and reward business achievement and innovation in the Redlands.

Council also supported the Business Grow program, which assisted over 305 businesses with access to services, agencies and information, and dealt with more than 1,000 business inquiries (120 businesses were new to the program this year). Since 2005, Business Grow has worked closely with more than 1,655 businesses to identify issues and capitalise on opportunities.

Linked with Business Grow, the appointment of a Small Business Field Officer created additional opportunities for home-based businesses, women in business and creative businesses, by providing assistance such as AusIndustry business grant applications. This appointment resulted from a strategic partnership with the Greater Brisbane Area Consultative Committee and AusIndustry's Small Business Entrepreneurship Program.

China trade office

The Redlands Trade and Investment Office based in Guangzhou, China, provided support to Redland businesses, by handling over 280 business inquiries and establishing relationships with 67 new clients.

Through the office, the Redlands was represented at six major international trade shows in China and one in Australia. Over 300 Chinese businesses and government agencies were contacted for information or support. Cultural and educational exchange relationships were also established with six Chinese schools and one university.

A number of Council publications, including its Top Ten brochure, which details key investment project opportunities, and an educational guide were produced in mandarin and distributed in southern China.

In the north of China our relationship with Qinghuangdao was strengthened when two officers from the Qinhuangdao Economic and Technical Development Zone spent two months in the Redlands studying Council's operations. The officers spent time with Council's Environmental Management, Economic Development and Project Delivery Groups. This relationship will provide opportunities for local businesses to access the northern Chinese market.



Tourism development

Council and its strategic partners collaborated on several very successful tourism marketing campaigns including:

- Brisbane's Moreton Bay and Islands marketing campaign - Council and the local tourism industry participated in a joint initiative with Tourism Queensland, Brisbane Marketing and other regional Councils. Council contributed \$32,000 to be part of a campaign, which generated a total value of media exposure worth \$1,064,875. The campaign included, interstate and local promotions through television, the Moreton Bay and Islands website, a motivational brochure, direct e-blasts and Brisbane radio. The campaign was supported by media releases and journalist familiarisations.
- Virgin Blue and Blue Holidays Interstate and International campaign – In a joint initiative with Tourism Queensland, Virgin Blue and Blue Holidays, Council secured 10 of the 12 available campaign spaces for local operators. Council partnered with the operators, with a \$13,000 contribution, to help participation in the campaign. The promotion provided print media exposure in travel supplements in Sydney and Melbourne and online in USA, UK and Europe and Asia Pacific through Virgin Blue's website and direct e-blasts to Virgin subscribers. The promotion substantially leveraged Council's \$13,000 investment by providing media exposure for the region worth \$560,000.

Council's Tourism Unit provided professional development and networking support for the bed and breakfast industry in the Redlands, through targeted business development and quarterly networking meetings.

Council also ran the 2007 Redlands on Moreton Bay Tourism Awards, which encourages best practice in the local tourism industry. The awards attracted 18 submissions in 11 categories. In addition to celebrating excellence in the local tourism industry, a major aim is to encourage Redland nominations in the Queensland State Tourism Awards. Stradbroke Weddings, Amity Bungalows and the Olivado Moreton Bay Seafood Festival went on to be finalists in the Queensland awards.

A new look tourism motivational brochure for the Redlands featuring new images from an extensive photo shoot undertaken in March and April 2008 was released in July 2008.



Our achievements – Environment

Preserving Redlands' unique biodiversity

Over the past year, Council completed key projects that reduced the impacts of population growth and improved environmental monitoring.

State of the Environment report

Redland City Council published its first State of the Environment Report. This voluntary report presents benchmark results for 58 environmental performance indicators grouped under themes including atmosphere, biodiversity, land, waterways, human settlements and cultural heritage. This is the first report of an on-going environmental performance reporting program at Council. Future State of the Environment Reports will be prepared and presented to the community every four years. Report cards that highlight trends and key indicators will be presented every two years. These reports will help us evaluate our success in protecting, enhancing and managing our natural assets.

Achieving Milestone 5 in Cities for Climate Protection

Council published its Milestone 5 Report, a requirement for achieving 'Milestone 5' of the Cities for Climate Protection™ (CCP™) Program, which Council joined in 1999. The report indicates the reduction of greenhouse gas emissions in the Redlands. Achieving Milestone 5 is a significant achievement for Council. Some of the innovative projects launched by Council to help businesses and residents in the community reduce emissions include Redlands ecoBiz, Point of Sale Extension and Home Sustainability Audit. Smart meters are also available for public loan through Council libraries so that residents can improve their energy use.

Hotspot water sampling program

Council established a method of water sampling and analysis during rainfall events that helps identify important hotspots for nutrient and sediment pollution of our creeks. The approach was used in Erapah and Hilliard's Creeks. The results will assist Council's management of waterways and inform a new Waterway Extension Program being developed to help landholders reduce nutrient and sediment pollution.



Redland Waterway Catchment model

Council, through consultants BMT WBM Pty Ltd, developed a catchment model to estimate land use based pollutant load exports to local waterways. This model will help Council develop effective waterway management strategies. Redland waterways are in poor health, as indicated by the last six Ecosystem Health Monitoring Program (EHMP) report cards for Redland freshwater creeks. Council has identified water quality objectives for key waterways and catchments in the Redlands and will use the model to achieve these objectives.

Koala Policy and Strategy

The 27 per cent decline in the koala population over a four year period was the trigger for significant action by Council. A Koala Summit was convened over two days in November and a large and varied number of participants, including State Minister for Sustainability, Climate Change & Innovation, Andrew McNamara, spoke and put forward their ideas for conserving Redland koalas. Council officers took the ideas and developed the draft Koala Policy 2007 for public engagement. Subsequently the Koala Policy and Implementation Strategy 2008 and adopted by Council in February 2008. Key actions include improving and increasing habitat, improving movement across the landscape, increasing awareness of koalas, improving research and reducing koala deaths on roads.

Biodiversity Policy

Council adopted a Biodiversity Policy that commits Council and stakeholders to protect and enhance all biodiversity within the Redlands. The fundamental principles are protecting the existing terrestrial and aquatic ecosystems and rehabilitating degraded ecosystems, while maintaining diverse fauna and flora. The Biodiversity Strategy outlines the action plan and procedures required to ensure the objectives of the policy are delivered. The policy recognises the significant contribution of the Redlands to the biodiversity within the south-east Queensland, and adopts both a local and regional approach to biodiversity protection.

Coochiemudlo Golf Club Management Plan

Council and the Isle of Coochie Golf Club signed a new management plan for the golf course and its surrounds. The agreement was reached through consultation with members of the Isle of Coochie Golf Club, island residents and Council. The agreement also benefits the 'Emerald Fringe', which is a vegetated area that grows around the circumference of the island, separating private residential areas from the water's edge. The management plan includes weed management programs, course safety and track management.

Wellington Point Reserve upgrade

Stage two of the Wellington Point Reserve upgrade started in June with the construction of a regional playground under the existing mature figs on the western side of the reserve. This playground replaced an existing small playground and includes swings, climbing equipment, spring toys, a cobbled maze with planting and a large timber ship. The playground design makes reference to both the Indigenous and European history of the area. Artwork in the playground was inspired by indigenous use of the area and was based on local children's drawings.

Raby Bay Foreshore Park Master Plan

Council adopted the Raby Bay Foreshore Park Master Plan. Features include a new playground, new picnic facilities, more shade trees, sailing boat access, dog off-leash beach area and fitness equipment.



Our achievements – Social

Providing services that support the basic qualities of community life

One of our strategic priorities is to 'provide a range of community services to support basic qualities of community life and maximise opportunities for community participation and development'. This is reflected in many of our recent activities.

Children's services

Council's School Age Care Service, operated on a non-profit basis and partially funded by federal and state governments, includes school age (before and after school care) operations at 19 schools, 11 of which also offer vacation care.

Across the 19 sites, our staff care for approximately 300 children in the mornings and 700 in the afternoons. Because children have been at school all day, we aim to provide them with a stimulating and enjoyable service within a relaxed and caring environment. Some of the services also offer the Active After School Sports Program, funded by the Australian Sports Commission.

Young people

The Youth Development Program continued to support a range of recurrent and new projects including the coordination and support of the Redlands Youth Network and YTalk – Redlands Youth Forum. A highlight was the launch of the Capalaba Skate Park in December, which attracted more than 500 participants. Other projects included the HIPP (Help Increase the Peace Program), a conflict resolution program for teenagers.

The Young Citizens Program (YCP) is an educational program designed for local schools that began in 1998 after research showed a need to increase local government awareness in students. The YCP provides educational activities with real-world examples of topics covered by students in the classroom, to help them better understand the role of local government. The YCP is currently being expanded to allow community groups to access the education program.



Seniors

This year the Redlands Advisory Group on Seniors Issues (RAGOSI) completed its first term, providing strategic direction and practical advice to Council to transform Redlands into an age-friendly community strengthened by the contribution of our seniors.

The Home Assist Secure program, which Council has been operating with funding from the Queensland Government since 1996, helped its 12,000th client this year. The program helps residents over the age of 60, or of any age with a disability, to continue to live in their own homes with safety and security. Information and referral is free, with subsidised assistance toward the labour costs for home maintenance, repairs, modification and security.

Respite services

Funded through the Home and Community Care program and sponsored by Council, respite services have been available in the Redlands since 1987. The service has grown rapidly over the years and a number of new programs have been developed due to successful funding submissions based on community needs. The respite programs provided 45,735 hours of care during the 2007-08 financial year.

Increased funding has meant that this year the Step Forward program has been able to extend its services from three to four days per week, and purchase a people-mover to assist with increasing transportation needs. Step Forward, a centre-based day respite program targeting young adults with a disability, provides 16 to 35 year olds with a social and recreational outlet with peers as well as respite for carers. The program fosters independence, encouraging participants to make their own choices about the leisure and social aspects of their lives. Activities include art and craft, music and cooking.

Respite Services provides four programs specifically targeted to frail, aged clients and two programs for young adults with a disability. The disability programs provided 10,112 hours of care and had 3,153 attendances during the period.


Community development

Council is committed to assisting the community with capacity building initiatives that enhance the city's strong community framework. The Community Development team facilitates the Redlands Interagency Network, Redlands Disability Network, Redlands Youth Network and the Redlands Seniors Network. Regular newsletters are produced and distributed for the four community networks to increase their information sharing capacity.

This year over \$90,000 was distributed to community organisations through our annual community development grants, which provide practical assistance of up to \$3,000 for equipment, resources, projects and activities conducted in the Redlands.

A place-based focus is also emerging with a community resource officer appointed for the Capalaba precinct. This officer supports residents of Birkdale, Alexandra Hills and Capalaba, enabling greater participation and access to Council facilities and providing opportunities for communities to develop their activities, including inter-generational initiatives.

Come along to the



REDLANDS LIVING LIBRARY


a program that promotes acceptance and understanding across our community

DO YOU EVER JUDGE A BOOK BY ITS COVER?

Challenge your perceptions, read a "book" with a difference and learn something new at the Living Library.

It works much the same as a regular library with one difference, it's people, not books, that are borrowed.

For information on our next Living Library, ask at the information desk.



Redlands' culture

In February 2008, the Redland Art Gallery year celebrated its fifth anniversary with the community exhibition 'Postcards from the Redlands' and a family fun day.

A highlight for the Redland Museum was the very successful exhibition 'Going to the Gums', which marked the 100th anniversary of the proclamation of the Peel Island Lazaret. This is the first known exhibition about the lazaret and was opened by the Governor of Queensland, Quentin Bryce.

Local history

The local history of North Stradbroke Island is just a keystroke away, with 'Stradbroke Stories' now featuring on Council's website. This is the culmination of a six year project, funded through a Queensland Government grant. Nearly 100 people were interviewed and seven stories selected. More than 200 photographs and video footage can be viewed online.

A third heritage trail guide, covering the Southern Moreton Bay Islands and Coochiemudlo Island, has been added to the Redlands' award-winning Heritage Trail Series. The Cleveland/Ormiston and North Stradbroke Island Heritage Trail was rewarded with a silver trophy in Bendigo Bank's community awards in July 2007.

Redland Libraries

Redland Libraries has successfully launched its Living Library, a program that promotes acceptance and understanding across our diverse community, with an event at the Cleveland Library. Volunteers from the community became 'Living Books' and talked with library visitors about their rich and varied life experiences. The program will now be rolled out to other libraries in the Redlands, starting with Victoria Point library.

New and innovative activities for adults and young people continue to draw people to our libraries.

A fun Valentine's Day event for adults was 'A Blind Date with a Book'. Budding writers honed their skills through the adult writing competition with writer's workshops, run by writer in residence Louise Cusack.

Young People's activities continued both weekly and as part of Council's school holiday program. Highlights of the year's very full program included the Australia-wide National Simultaneous Story Time, a Roald Dahl day, Fairy Tale Frolics held during Children's Book Week, a Star Wars 30th Anniversary event and family movie nights.

Redland Libraries continued to improve technology by installing another self check-out machine and using the Telstra Next G option to create a wireless mobile library able to be more flexible about where it stops.



Special events

Council celebrates the diversity of the Redlands through its range of community events. Each year we welcome over 600 new citizens through our Citizenship Ceremonies, our elderly population are recognized at the Over 90's lunches and the Australia Day Awards acknowledge outstanding residents. Christmas by Starlight, our largest community event, provides great entertainment for all residents while fostering a sense of community. This year also saw numerous events that promoted the cultural, social and artistic environment we enjoy in the Redlands. These included the Donald Simpson Centre 20th Anniversary, reopening of the Cleveland Aquatic Centre and opening of the Redlands Performing Arts Centre (RPAC).

Redland City Council Australia Day Awards 2008

Community Organisation Award

Moreton Bay District Scouts

Community Service Award

Kay Howick & Patricia Snoddy

Cultural Award

Rosemarie Arthars

Environmental Achievement Award

Debbie Pointing

Sports Award

Bede Durbidge

Young Citizen of the Year Award

Hilary Tapper

Citizen of the Year Award

Norman Dean

Norman Dean and Hilary Tapper



Key projects

A snapshot of our performance

Key projects

Each year we report on our key projects as outlined in our 2006–2010 Corporate Plan strategic priorities, as a snapshot of our performance.

The following tables show how projects we identified in our 2006-07 Annual Report 'Looking Forward' section have progressed.

Council has also had a number of successes in awards. They included:

- Local Government Mutual Risk Management Excellence Award – for Council's innovation and initiatives in risk management
- Category Winner for Efficiency Improvement in the 2007 National Awards for Local Government

- LGAQ Best Paper Recycler 2007-08 Award
- Parks and Leisure Australia Awards 2007 – Council's Shade in the Parks Project was highly commended in the category 'Management Awards for Parks'
- Australian Service Excellence Awards – Council won the Queensland Award for Customer Service from the Customer Service Institute of Australia (CSIA) in Brisbane. Council went on to achieve a Highly Commended Award at the National Awards in Sydney. Customer Service Officer, Jacqui Murphy, also won the Queensland Award for Professional of the Year.



Essential services

Project/activity	Objective	Status	Expenditure
Reseals and resurfacing	Resealing of existing roads at numerous Redland locations.	Ongoing	\$3,300,000
Raby Bay Canal	Maintenance of the Raby Bay canal estate including repairs to revetment walls, dredging, cleaning and other minor operating activities.	Ongoing	\$2,438,300
Intersections	Improvements to existing intersections including signalisation, installation of splitter islands, line marking improvements, additional turning lanes and service vehicle turnarounds. Major works for 2007–08 included Wellington Street, Cleveland, and signalisation at Mt Cotton Road, Capalaba.	Complete	\$2,231,768
Residential streets	Improvements to the Redlands' existing road network, including the provision of kerb and channel, bitumen widening and edge restraints.	Complete	\$2,137,981
Aquatic Paradise canal maintenance	Maintenance of the Aquatic Paradise canal estate including repairing revetment walls, dredging, cleaning and other minor operating activities.	Ongoing	\$2,033,000
Seal gravel roads	Sealing existing gravel roads across various locations.	Ongoing	\$1,776,873
Footpaths, bikeways and trails	Construction and extension of footpaths, bikeways and trails within the Redlands.	Ongoing	\$1,702,687
Marine infrastructure – mainland	Provision of new marine infrastructure on the mainland and North Stradbroke and Coochiemudlo Islands.	Ongoing	\$1,533,826
Toondah Harbour maintenance	Dredging Toondah Harbour, Cleveland.	Ongoing	\$1,079,866
Marine infrastructure – SMI	Provision of new marine infrastructure on the Southern Moreton Bay Islands. 2007–08 projects included berthing pile upgrades at Lamb and Karragarra Islands and revetment wall works at Macleay and Karragarra Islands.	Ongoing	\$637,608
Car parking	2007–08 works included car and trailer parking at Dalpura Street, Macleay Island.	Ongoing	\$590,140
Residential Water Incentive Program and Business Water Efficiency	Provision of incentives for residents and businesses to install water saving devices through retrofit/rebates to reduce overall water consumption.	Ongoing	\$222,915
School Safe Program	The School Safe Program is aimed at delivering safety improvement projects to local schools. The 2007–08 project provides on-street parking at Sanctuary Drive for the Mount Cotton State School.	Ongoing	\$196,000
Foreshore protection	Provision of seawalls at various locations.	Ongoing	\$190,617
Transport facilities	Provision of bus stops and lay bies at various locations.	Ongoing	\$155,000
Drainage program	Drainage improvements at various locations.	Ongoing	\$133,381
Local area traffic management	The installation of local area traffic management (LATMs) devices at various locations.	In progress	\$80,019

More detail continued over page →



Community health and wellbeing

Project/activity	Objective	Status	Expenditure
Redlands Performing Arts Complex	Construction of the Performing Arts Complex in Cleveland. The centre is partly funded from a Queensland Government grant.	Complete	\$5,816,260
Upgrade of caravan parks and camping grounds	Continuation of upgrade of caravan parks and camping grounds in the Redlands. This includes upgrades to power, water, sullage, recreation facilities and camp kitchens.	Ongoing	\$1,056,974
Cleveland Aquatic Centre major improvements	Upgrade the Cleveland Aquatic Centre to a modern standard and provide additional leisure opportunities, including refurbishment and remodelling of the existing amenities, new leisure and toddlers pool, BBQ and eating area, new double storey building housing a gym, consultation and meeting rooms, shade structures and a terraced grandstand and new entry.	Complete	\$986,098
Redlands Youth Plaza	The construction of Redlands' first regional ramp park in Capalaba. The facility will be a multi-use facility, catering for a wide range of sporting, recreational and cultural activities. The main focus of the plaza will be for skate boards, bicycles and music/youth events.	Complete	\$976,600
Southern Moreton Bay Islands (SMBI)	Acquisition of open space land on the Southern Moreton Bay Island, totally funded from the SMBI Capital Reserve.	Ongoing	\$850,000
Russell Island Swim Centre	Council's contribution (including a 2004–05 special levy fund held in reserve) towards the construction of a new swimming pool and amenity block on Russell Island.	Complete	\$805,512
Capalaba Regional Park Playground Stage 3	Complete upgrade of the Capalaba Regional Park as per Council's master plan. Works include new pedestrian paths, new play features, new furniture, landscaping, turf and trees.	In progress	\$783,100
Improvements to Cleveland Showgrounds	Continuation of improvements to the Cleveland Showgrounds as identified in the Cleveland Showgrounds' Master Plan. Projects include the removal of the expo toilets and cricket pitches, a new paved plaza and the grassing of a community common area.	In progress	\$600,566
Wellington Point Reserve	The project will upgrade the park to meet the standards of the Redland City Open Space Plan 2004–2016. The project will be implemented over two financial years, starting in 2007–08. Initial works include playground upgrade in the western area of the reserve and new park/picnic facilities. Works for 2008–09 included an upgrade to the trailer car park and new pathways.	In progress	\$485,000
Point Lookout Hall extension	Extension of the Point Lookout Community Hall as per recommendations of the Point Lookout Community Hall consultation and design project.	In progress	\$337,200

More detail continued over page →



Edgar Harley Pavilion relocation and refurbishment	Relocation of the Edgar Harley pavilion to a new location near the Redland Memorial Hall in the Cleveland Showgrounds, including disconnecting services and removing surplus infrastructure. Services will be re-connected at the new location and minor works undertaken to make the building safe for use. Refurbishment of the building is planned to be undertaken in 2008–09 as part of Council's capital program.	Complete	\$235,800
Cylinder Beach Stage 1	Implementation of Stage 1 of the Cylinder Beach Master Plan including improved car parking, increased recreational areas and improved stormwater management.	In progress	\$218,800
Donald Simpson Centre improvements	Installation of acoustic dividers in the large activity room and the reconfiguration of the awning space to create additional meeting rooms and storage space.	Complete	\$216,114
Valentine Park Stage 1 & 2	Construction of new and recreational infrastructure including picnic areas, shade, pathways, car parks seating and landscaping.	In progress	\$212,000
GJ Walter Park	Installation of new and upgraded park infrastructure including picnic shelters, water fountains, litter bins, picnic tables, play areas and seating.	In progress	\$200,000
Parks land acquisitions	Acquisition of small land parcels for dedication as local parks.	Ongoing	\$165,000
Redlands Softball Complex car park	Construction of a new pedestrian bridge for safe access to the playing fields from the newly constructed car park on the eastern side of the creek.	In progress	\$111,718

Land use

Project/activity	Objective	Status	Expenditure
Integrated planning	The activities under this program include delivery and review of the Redlands Planning Scheme outcomes to achieve ecological sustainability in the Redlands and regional planning initiatives (including local area plans).	Ongoing	\$593,149
Swimming Pool Inspection Project	Continuation of swimming and spa pool inspections of Council approved pools from 1991 to 1998 with no recorded final inspections.	Ongoing	\$194,036

More detail continued over page →



Natural environment

Project/activity	Objective	Status	Expenditure
Conservation land acquisitions	Acquisition of environmentally significant land as a result of Council's commitment to protect significant land across the city. This project is funded from the Environmental Charge Reserve.	Ongoing	\$3,668,543
Bushland and vegetation maintenance	Activities involve the protection, maintenance and enhancement of the health of the Redland's bushland and vegetation. This includes the Community Bushcare Program, fire management, grass cutting and general maintenance. It is largely funded from the Environment Charge Reserve.	Ongoing	\$3,037,242
Coastal and waterways management	Aquatic weed control, catchment management, foreshore and marine protection and beach erosion rectification.	Ongoing	\$1,131,006
Environment education and awareness	The activities of this area include the operation of IndigiScapes, school programs, habitat protection and 'Your Backyard' program.	Ongoing	\$1,107,028
Point Lookout Gorge boardwalk	Involves upgrading of ageing sections of the track with new composite fibre material.	In progress	\$197,000

Economic prosperity

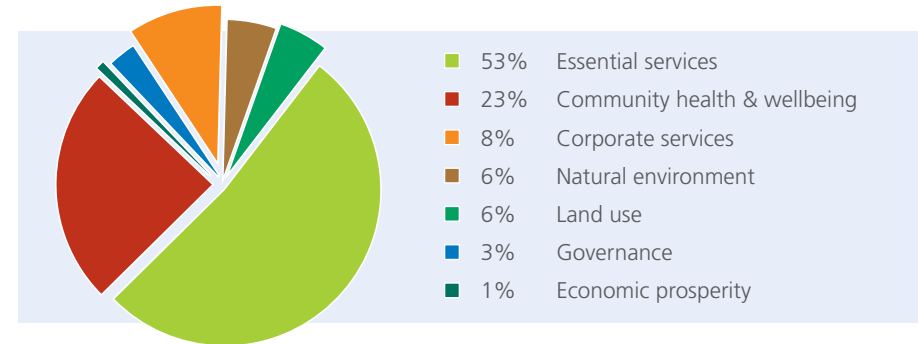
Project/activity	Objective	Status	Expenditure
Tourism development and marketing	Contribute toward the development and marketing of the Redland as a quality visitor destination. The initiatives are based on the Redlands Marketing Plan recommendations.	Ongoing	\$544,364
Entry signs	Improve the entry way to the Redlands by the erection of lighting, signs and soft landscaping.	Complete	\$151,752
Business Grow	Business Grow is a confidential business expansion and retention visitation service that aims to help businesses access services, agencies and information available within the Redlands.	Ongoing	\$89,000
Investment attraction	This project focuses on marketing the Redlands as a competitive and attractive location for business development. The initiatives are based on the Redlands Marketing Plan recommendations.	Ongoing	\$61,000



Looking forward 2008-09

Our strategic priorities

The budgeted expenditure of \$265.2m, including depreciation and contributed assets, is allocated to the following strategic priorities identified in Council's Corporate Plan:



Essential services

Rickertts / Quarry Rd widening	\$5,679,532
A major road widening project undertaken in partnership with AUSLINK. It involves duplicating Rickertts/Quarry Road from the intersection at Birkdale Road to the Tingalpa Creek. AUSLINK has provided a \$4.463m grant for the project.	
Reseals and resurfacing	\$3,600,001
Reseal existing roads at various locations in the city.	
Raby Bay canal	\$2,609,352
Maintain the Raby Bay canal estate, including repairs to various revetment walls, dredging, cleaning and other minor operating activities.	
Cycleway infrastructure	\$2,030,526
Improve the Redlands' cycling network. Projects include constructing the major Moreton Bay Cycleway link, designing Priority Infrastructure Plan trunk infrastructure routes, and constructing new recreational trails and shared concrete path network.	
Aquatic Paradise canal maintenance	\$1,983,000
Dredge Aquatic Paradise Canal Estate and access channel. Dredging is done every four to five years, depending on the results of hydrographic surveys.	
Seal gravel roads	\$1,962,543
Seal existing gravel roads at various locations in the city.	
Transport facilities	\$1,177,000
Provide bus stops at various locations in the city.	

More detail continued over page →



<p>Car parking</p> <p>Provide public car parking in the city, including car and trailer parking at Dalpura Street, Macleay Island.</p>	\$1,088,806
<p>Residential streets</p> <p>Improve the city's existing road network through projects including kerb and channel, bitumen widening and edge restraints.</p>	\$1,030,277
<p>Foreshore protection</p> <p>Projects include the first stage of the construction of a seawall at Wellington Point Reserve and installation of access stairs at other foreshore locations.</p>	\$649,554
<p>Marine infrastructure</p> <p>Provide new marine infrastructure on the mainland, North Stradbroke Island and Coochiemudlo Island.</p>	\$594,518
<p>Drainage program</p> <p>Improve drainage at various locations in the city.</p>	\$451,560
<p>Toondah Harbour.</p> <p>Lease costs for properties at Toondah Harbour, which are subsequently sub-let to commercial operators.</p>	\$434,278
<p>Marine infrastructure – Southern Moreton Bay Islands</p> <p>Provide new marine infrastructure on the Southern Moreton Bay Islands. Projects include berthing pile upgrades at Macleay Island and Lamb Island and installing toe planks at Lamb Island boat ramp.</p>	\$382,127
<p>Footpaths and trails</p> <p>Construct and extend footpaths and trails in the city (inside and outside road reserves).</p>	\$370,500
<p>Schoolsafe works</p> <p>Deliver safety improvement projects to local schools through the Schoolsafe Program: Ormiston State School, Capalaba High School and Ormiston College.</p>	\$294,000
<p>Local area traffic management</p> <p>Install local area traffic management devices at various locations in the city.</p>	\$121,758
<p>Business Water Efficiency Program</p> <p>Provide incentives for businesses to install water saving devices through retrofit/rebates to reduce overall water consumption.</p>	\$89,969

Redland Water & Waste – Highlights

Providing essential services to the community

Redland Water & Waste (RWW) is a commercial business unit of Council responsible for water supply, wastewater treatment and solid waste management services.

RWW's mission is to meet or exceed agreed standards of water, wastewater, and waste management services while managing the business for long-term success.

RWW contributes to preserving the city's quality of life by servicing the population through 47,636 water connections, 44,451 wastewater connections (active) and 51,612 weekly refuse and 51,660 fortnightly recycling services.

In 2007-08, RWW supplied 12,543 megalitres of drinking water and treated 9,602 megalitres of wastewater. Recycling rates for kerbside collection remained at 24%, the same as last year.

Figures below at 30 June 2008

Water

Water sources:

Leslie Harrison Dam, Herring Lagoon, borefield and township bores on North Stradbroke Island (NSI)

Treatment plants	5
Reservoirs	23
Length of water main	1,265km
Water meters	48,511
Water connections including multiple properties per meter (MPPM), children but excluding MPPM boundary meter	53,052
Water treated	12,543ML
Water billed	11,191ML

More detail continued over page →





Wastewater

Treatment plants	7
Pumping stations	132
Length of sewer main	1,077 km
Active services (excluding vacant land)	44,451
Wastewater treated	9,602
Sludge for re-use	100% (18,028wt)
Recycled effluent for re-use	573ML
Trade waste generators	469
Trade waste discharged to sewer	244ML

Waste management

Households with a waste and recycling service (51,612 refuse bins; 51,660 recycling bins)	50,777
Landfill sites	1
Hardfill (construction and demolition sites)	1
Transfer stations	8
Total kilos of domestic waste landfilled per capita	461
Total assets	19

Our statutory obligations

The Water Act 2000 requires water and wastewater service providers to prepare an annual report on their approved strategic asset management plan (SAMP) and their submitted customer service standards (CSS) each financial year.

This annual report provides customers and the regulator, the Department of Natural Resources & Water (NRW), with information on:

- results of reviews and audits of our SAMP
- results of reviews of our CSS
- actual performance against targets set in the SAMP and CSS (including deficiencies).

Note: Key actions taken to implement the SAMP including funding are provided in a separate document.



Reviews

Strategic Asset Management Plan (SAMP)	RWW is required to regularly review its SAMP to make sure it remains relevant. Reviews must take place at time intervals stipulated by the regulator, usually every two to five years. A review of the SAMP is scheduled for 2008 as part of the Total Management Plan (TMP) review and update. Changes will focus on the transfer in responsibility to the state government's bulk water authorities for potable water supply.
Customer Service Standards (CSS)	Legislation requires RWW to review its CSS every year and to state the outcome of the review in the Annual Report. The CSS was reviewed as part of the production of RWW's annual performance plan and no changes were made to the CSS. Another review is scheduled for early 2008-09 to take account of water reforms and the impact on customers.
Audits	Legislation requires that RWW undertake regular audits of its SAMP, usually every two to five years. The findings and recommendations of any audit report must be summarised in the Annual Report. An audit was undertaken in 2005-06 and therefore no audits of the SAMP were undertaken in 2007-08.

Apart from water and wastewater, RWW also undertakes a third important activity for the city: waste management services. While waste has no reporting obligations under the *Water Act 2000*, RWW has a requirement to publicly report on its performance. This meets the requirements of the *Local Government Act 1993*.

This report details RWW's performance for the 2007-08 financial year and fulfils the business unit's obligations under the *Local Government Act 2003* and the *Water Act 2000*.



Gary Soutar

A message from our General Manager

The past year saw a number of substantial changes within RWW due to the state government's water reform agenda. The previous General Manager, Jim Pruss, left Council to take up the position of Executive General Manager Sustainable Water & Asset Delivery with the bulk supply authority. Fifteen RWW employees transferred to the bulk supply authority and one employee transferred to the bulk transport authority.

In terms of highlights for the year, the Treatment Operations team ensured the wastewater treatment plants remained within compliance where possible. This was made extremely difficult due to illegal dumping of acid and petrochemicals into the sewerage system during the year. The waste teams have been exceptionally busy reviewing all landfill tenders while planning for the new waste transfer facility at Redland Bay.

The majority of the Technical Support group transferred to the new bulk supply authority on 30 April. Up until then they continued to deliver high standard planning reports, in addition to finalising assets to be transferred to the state government. The Customer Service & Business Performance group continued to deliver its high standard of customer service and business water efficiency program, while responding to water reform initiatives.

One area showing substantial improvement this year was safety. We reduced the number of injuries causing people to have time off work from five to three. All injuries related to preventable manual handling or simple accidents. Our systems and controls are under constant review and we aim to achieve a zero injury target in the coming year.

The coming year will be a time of further change for the staff of RWW as we move towards the formation of the distribution company that will be responsible for water distribution, wastewater and trade waste by July 2010. However, regardless of these changes the main objective of our business will not change - providing high quality products and services to the Redlands community.

During the year, the greatest impacts on the business unit were the significant water reforms by the state government. The reforms are part of the state's vision to secure future water supplies in south-east Queensland by establishing a water grid. For Redlands this means Council's raw water supplies and water treatment plants transferred to the state on 1 July 2008. Responsibility for treatment and supply of potable (town) water to Redlands then transferred to the state. Council, through RWW, continues to be responsible for delivering town water through the city's network of reticulation services.

The continued dry weather meant Level 2 restrictions remained in place for the Redlands in 2007-08, in stark contrast to the Level 5 and 6 restrictions experienced in neighbouring areas.

A handwritten signature in black ink, appearing to read 'GAS', written in a cursive style.

Gary Soutar



Major activities and achievements

Environmental initiatives

Conscious of the large impact RWW activities can have on the environment, we continue to undertake a range of initiatives to ensure environmental sustainability within our community.

Pressure and leakage program

RWW is two years into a three-year program for pressure and leakage management. The project is a drought response measure for the Redlands required under the Water Act Regulation No. 6. Pressure and leakage management is a step-by-step program for detecting and repairing water leaks and controlling excessive water pressure in the system.

This year RWW completed the bulk of the project's planning work and constructed half of the planned new flow meter and pressure reducing valve and control pits. Leaks detected and repaired so far in Redland Bay indicate initial savings of 10 kilolitres a day with project works on the Southern Moreton Bay Islands (SMBI) saving around 80 kilolitres a day. Savings are expected to increase as these are preliminary results only.

Recycled water for commercial carriers

In our first full year operating a recycled water filling service to commercial water carriers, carriers purchased around 5,455 kilolitres of recycled water, saving valuable potable supplies. Recycled water is used for activities such as dust suppression, earthworks, road and service construction, landscaping and erosion control.

Landfill gas to energy

Currently, methane gas and other gaseous products resulting from the disposal of waste at the Birkdale landfill facility are being managed to reduce the environmental impact by 'flaring' (burning off).

Management of these gases is necessary to reduce the level of greenhouse gas emissions, however the process of flaring does not utilise the full potential of landfill gas. Understanding this, Council has embarked on the Birkdale landfill gas-to-energy project with the objective of capturing and utilising landfill gas to generate 'green' electricity.

This year the project entered its second phase with the engagement of specialist contractors who will be responsible for extending the existing gas collection structure in 2009 and then installing a landfill gas engine and generator once the gas volumes reach viable quantities. Modelling has indicated this will occur over the next two years. From results so far, it is estimated around one megawatt of power could be generated each year.



Waste management strategy document

Even with good levels of kerbside recycling and high yields of resource recovery from our waste transfer and landfill facilities, increased volumes of waste and a shortage of local landfill space requires us to review how we handle waste into the future. Tackling the hard questions, and with a shift to a more holistic and sustainable focus, Council this year has worked to develop a solid waste management strategy to replace the current strategy that was adopted in 2003. The draft document needs to consider the likely requirements of the state government's soon-to-be-released waste strategy. The last part is assessing community views about the draft strategy – community engagement is planned for late 2008.

Integrated waste management facility and Southern Moreton Bay Island waste facility planning study

This year, after considering planning assessments, regional strategies, investigations and industry market soundings for a new waste facility, Council chose a site at German Church Road, Redland Bay, for the city's new integrated waste management facility. The facility will ultimately replace all current mainland waste facilities including Birkdale landfill which is near its life end.

Also undertaken this year was the SMBI waste facility planning study, which reviewed population growth and demand, identifying new services and infrastructure upgrades to meet this growing area. The program includes increased recycling capacity, increased waste capacity to meet demand, and improving safety and user friendliness of facilities.

Exploring new opportunities for recycling

A trial at Birkdale landfill is providing a new opportunity for recycling while prolonging the landfill's life. Construction and demolition waste of domestic quantities (trailer or ute) are saved from landfill and returned to various points for recycling and include soil, bricks, concrete, metal and timber. Recycling this waste has the added benefit of maximising value for money of the landfill asset, which is engineered to receive higher impact putrescible waste.

Other environmental initiatives

- Collection of expanded polystyrene (EPS) for recycling continued at Birkdale landfill with 1,283 cubic metres (m³) saved from landfill in 2007-08 (to gauge the southern part of the city's support for the service, an EPS recycling trial was introduced at Redland Bay transfer station).
- Environmental audit waste disposal
- Remediation of landfill at Redland Bay
- Completed integrated asset management plans (IAMPs) for all waste facilities



Getting the message out

RWW's education program is delivered with the help of Council's Environmental Education Unit and produces a whole-of-Council approach towards education. A 'Water in the Redlands' curriculum-based program and supporting DVD was produced and school visits, Council facility site visits by schools, community group presentations and events, activities and competitions were undertaken.

2007-08 school visits summary:

- 39 school presentations were undertaken (14 water, 20 waste and five general environmental online forums)
- 2,792 students participated in water and waste school presentations
- 24 different schools organised school visits
- 14 Council facility visit bookings undertaken (for four of these bookings, more than one facility was visited)
- eight different educational institutions/ community groups organised site visits

Community events

RWW participated in:

- Redland Spring Festival – September (included Recycled Art competition and indoor water use workshops)
- Bayside Home Show – April (included recycling contamination education)
- National Water Week (included Water Diary Competition for Redland residents to monitor their water usage)
- National Recycle Week (included city-wide mail-out to more than 45,000 of a recycling brochure and sticker for recycling bins)

Awards and recognition

For the third year running, RWW and Council were awarded the LGAQ Best Paper Recycler 2007-08.



Our community responds

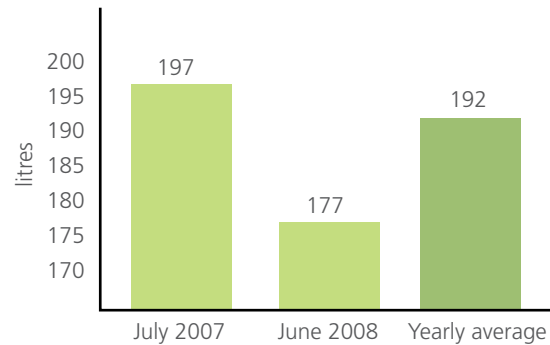
During the year, the Redlands community responded to local and wider community messages about caring for the environment, with many participating in one or more of Council's initiatives for water saving through to waste recycling.

Rising to the challenge of the drought in south-east Queensland (SEQ), residents and businesses significantly reduced their water use at home and at work. In the coming year the good work done now needs to continue.

An amazing 4,452 Redland households took advantage of the popular Home Waterwise Service during 2007-08. The plumbing retrofit service is a joint initiative of local south-east Queensland councils and the state government. Providing up to \$150 worth of water-saving goods and services for a \$20 fee, the service, since starting in July 2006, is estimated to save 510,000 litres of water every day from retrofits performed over the two years. With these water savings, combined with an estimated CO2 reduction of 5.31 million kilograms each year, Redland residents should be extremely proud of their achievements.

Average residential water consumption

litres per person each day



Business saved water too

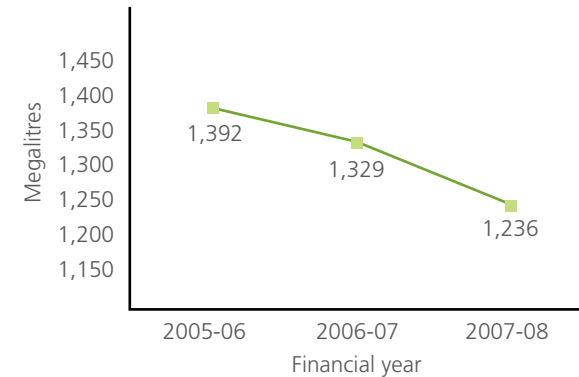
Businesses and organisations played their part too, with more than 150 developing water efficiency management plans (WEMPs) to provide long-term water savings by upgrading toilets and taps, installing tanks, monitoring water usage and making changes to their everyday work practices.

In May we held our inaugural Business Water Conservation Awards as part of a networking hour. To recognise water savings achieved, Mayor Melva Hobson presented certificates to:

- Capalaba Greyhound Club (Active playing surfaces category - 43% water savings)
- Healthy Sprout Company (Nurseries or market gardens category - 38% water savings)
- Good Sight Company Limited (Vehicle washing category - 68% water savings)
- Greenacres Caravan Park (Above 10 megalitres water

Business/organisation water consumption

over the past three years



use category - 35% savings).

Eleven local businesses took advantage of funding from the state government's Business Water Efficiency Program (BWEP) for water-saving projects and retrofits. RWW administered the program on behalf of the state government, contacting hundreds of businesses to raise awareness of the ways water can be saved in business and how to access funding towards water efficiency measures.



Helping business reduce energy, water and waste

RWW continued its commitment to the Environmental Protection Agency (EPA) initiated eco-efficiency program ecoBiz, which aims to reduce water and energy consumption and waste stream production in business. Businesses completing the program and showing eco-efficient gains are awarded partnership status with associated benefits.

This year, eight businesses achieved or renewed their ecoBiz partnership status and in early 2008 were presented certificates by the Minister for Sustainability, Climate Change and Innovation, the Hon Andrew McNamara.

Congratulations:

- Mater Private Hospital Redlands
- Redland Bay Golf Club
- Redlands Nurseries
- Sea Stradbroke
- The Good Guys, Capalaba
- Bayside Bulletin
- Amity Bungalows
- Stradbroke Ferries

Throughout the year there were plenty of opportunities for local businesses to increase their knowledge of eco-efficiency with networking hours and sustainable technologies seminars on offer through RWW.

It wasn't all about water

During the year, RWW provided four free disposal days for city residents to safely surrender household hazardous waste products from domestic sources including herbicides, pesticides, paint, hydrocarbons, acids, pool chemicals and smoke alarms. More than 350 residents used the service in 2007-08, up from 200 in 2006-07.

E-waste trial

RWW trialled its first E-waste Day on 14 and 15 June at Council's South Street depot. More than 400 residents used the opportunity to dispose of their unused electronic goods including computers and mobile phones. The trial was extremely successful with 19.4 tonnes of e-waste collected over the weekend.

Clean Up Australia Day

Clean-up Australia Day was held on 4 March 2008 with 14 schools participating as well as Energex and CRL. There were 44 registered sites (up 10 from last year) with about 200 volunteers collecting 4.2 tonnes of rubbish.

Odour issue resolved

Last year, RWW installed a bio-trickling filter at the Capalaba wastewater treatment plant (WWTP) in response to neighbouring residents experiencing odour problems. Commissioning of the filter was completed this year and no more concerns have been raised by neighbours.



Delivering on customer service

Customer service standards

Customer service standards describe and define the levels of service that RWW commits to provide its customers for water and wastewater services.

A summary of RWW's water and wastewater service standard key performance indicators (KPIs), targets, actual performance, and confidence gradings is outlined below.

Confidence grading

NRW's guidelines for preparing SAMPs require service providers to indicate confidence grading for the data in the Annual Report (including an explanation of low confidence levels). The confidence levels (reliability and accuracy bands) used are consistent with NRW's guidelines. The following key explains the reliability and accuracy bands.

Reliability bands

A	B	C	D
Highly reliable	Reliable	Unreliable	Highly unreliable
Data is based on sound records, procedures, investigations, or analyses that are properly documented and recognised as the best available assessment methods.	Generally as in 'A', but with minor shortcomings, for example, some documentation is missing, or assessment is old, or some reliance on unconfirmed reports, or some extrapolations made from records of more than 50%.	Generally as in 'A' or 'B' but data is based on extrapolations from records covering more than 30% but less than 50%.	Data is based on unconfirmed verbal reports or cursory inspections or analysis, including extrapolations from such reports/ inspections/ analysis.

Accuracy bands

1	+/- 1%	2	+/- 5%	3	+/- 10%	4	+/- 25%	5	+/- 50%	6	+/- 100%
---	--------	---	--------	---	---------	---	---------	---	---------	---	----------



Customer service standards

KPI	Measure	Target	Actual	Satisfactory	Reliability	Accuracy
Water						
Day-to-day continuity						
Extent of unplanned interruptions – connections (all events)	#/100km main	Max 14.5	5.2	✓	A	2
Time for restoration of service (all events)	% restored within 5 hours	Min 97	98	✓	A	2
Average response time to urgent requests	minutes	Max 60	53	✓	B	2
Adequacy and quality of normal supply						
Pressure and/ or flow	% compliance	98% of properties to have a min 22 metres static head and a flow rate of 30 litres per minute	100	✓	A	1
Drinking water quality complaints	No. per 1,000 connections	Max 4	3.07	✓	A	1
Drinking water quality incidents	No. per year	Max 144	95	✓	A	1
Continuity in the long term						
Water main breaks and leaks	No. per 100km of main	Max 4	5.18	X ⁽¹⁾	B	2
Other						
Water service connections	% response within 10 working days of the request	Satisfactory (80-90%) Outstanding (90-100%)	71	X ⁽²⁾	B	2
Response to discoloured water	% response within 4 hours	Satisfactory (80-90%) Outstanding (90-100%)	100	✓	B	2
Response to non-urgent requests	% response within 5 working days of the request	Min 90	95	✓	A	1
Meter tolerance range	2%					

⁽¹⁾ Soil movement associated with drought conditions contributed to a larger number of water main events.

⁽²⁾ Several work flow practices have been implemented to address this result.



KPI	Measure	Target	Actual	Satisfactory	Reliability	Accuracy
Wastewater						
Effective transport of waste effluent						
Sewage overflows	No. per 100km of main	Max 8	7.4	✓	B	1
Sewage overflows to customer property	No. per 1,000 connections	Max 5	1.7	✓	B	1
Odour complaints	No. per 1,000 connections	Max 0.85	.46	✓	A	1
Average response time to urgent requests	Minutes	Max 60	47	✓	B	1
% wastewater service interruptions restored within 5 hours	%	Min 95	100	✓	A	1
Response to reports of odour	% response within 5 hours	Satisfactory (80-90%) Outstanding (90-100%)	100	✓	B	1
Response to non-urgent requests	% response within 5 working days of the request	Min 90	91	✓	B	2

Other KPIs

KPI	Measure	Target	Actual	Satisfactory
Water, wastewater and waste				
Operating performance (expenditure to budget)	%	+/- 5	-10.03	n Reliability – A Accuracy – 1
Earning before interest tax & depreciation (EBITD)	%	0-5%	8.51%	n Reliability – A Accuracy – 1
Solid waste				
Recyclable material diverted from kerbside collection (recycling bin only)	%	Min 25	24	✗ ⁽¹⁾
Number of missed wheelie bin services each year	No. of services	Max 504	377	✓
% compliance with EPA requirements	%	Min 98	99	✓
Total kg of domestic waste landfilled per capita	kg per person per year	Max 488	461	✓
Operating cost per tonne of waste	\$	Max 84	68.50	✓

⁽¹⁾ Target increased from 20% to 25% to promote a higher goal for residential recycling.



Managing our assets

The greatest impact on our assets this year came from the water reforms introduced by the state government. Considerable work went into preparing the bulk water assets for transfer to the state. On 1 July 2008, Leslie Harrison Dam, and Capalaba and North Stradbroke Island water treatment plants (WTPs) transferred to the new bulk water entity, SEQ Water.

At the same time water storage reservoirs and bulk trunk mains (including the underwater pipeline from North Stradbroke Island to Redland Bay) transferred to the state. Negotiations between the state and local governments over the transfer of assets – exactly how and what is included - made planning more difficult for RWW's operations.

Nevertheless, RWW continued its maintenance and renewal programs within this context.

Meter replacement program

RWW continued its water meter replacement program in 2007-08 replacing 3,721 meters on residential and commercial properties. This is an important project as water meters may slow down as they age and under-register the volume of water used. This indirectly impacts the community through reduced funding collected and being available for city services.

Slow registering meters also don't provide the occupier with a true picture of their water use, making it difficult to accurately measure the success of any water-saving initiatives they make.

Pump station reviews and upgrades

At our wastewater pump stations we replaced a number of pumps, valves and pipes that had reached their useful life. New switchboards at a cost of over \$300,000 were also installed for:

- PS19 (Fitzroy Street, Cleveland)
- PS24 (Old Cleveland Road, Capalaba)
- PS25 (near skate park at Capalaba)
- PS62 (Killarney Street, Capalaba)
- PS34 (Thomas Street, Birkdale)
- PS23 (Brewer Street, Capalaba)
- PS103 (Cylinder Beach, Point Lookout).



Treatment plant maintenance and upgrades

Lightning strikes during the year damaged sensitive electrical equipment at Cleveland Wastewater Treatment Plant (WWTP) and North Stradbroke Island Water Treatment Plant (WTP). Both plants required significant repairs, the cost to be recovered through Council's insurance.

New switchboards were installed at the raw sewage pump station, Capalaba WWTP. The installation included the capability of connecting to an emergency generator. Variable speed drives were also installed to minimise energy consumption and smooth inflows to improve treatment process.

Upgrades were also performed on switchboards for Amity Point and Point Lookout township WTPs – the upgrades use soft starters to start bores and treated water pumps.

A major overhaul was carried out on Thorneside WWTP's dewatering unit.

During the year, we finalised stage two of the water telemetry network upgrade. Telemetry forms part of the asset base that transferred to the state on 1 July 2008.

Operational performance 2007-08

In fulfilling the obligations of its performance plan, RWW provided all stated services and functions for:

- water harvesting, treatment and supply
- wastewater collection and treatment
- kerbside waste and recycling collection and disposal, and waste management.

RWW also:

- reported monthly to Council on water and effluent quality, solid waste activities, customer service statistics, financial and capital project status
- complied with Council's Corporate Plan, policies and procedures, and integrated environmental management system (IEMS).

Community service obligations (CSOs)

As required by Council, RWW provided a number of services to the community. Council reimbursed RWW the cost of providing these services known as CSOs.

For water and wastewater, this included concealed leak concessions and reduced water and pedestal charges for 'not-for-profit' sporting and community organisations.

For waste, this includes:

- waste disposal concessions to schools and not-for-profit organisations
- Clean Up Australia Day
- current landfill site remediation.



Our Strategic Asset Management Plan performance

Asset management

SAMPs ensure continued supply of services for customers and help RWW maintain its assets and plan for future needs to meet customer demand. These plans also provide performance indicators and targets for service standards. This annual report compares those targets with actual performance.

Confidence grading

NRW's guidelines for preparing SAMPs require service providers to indicate confidence grading for the data in the annual report (including an explanation of low confidence levels). The confidence levels (reliability and accuracy bands) used are consistent with NRW's guidelines. The key on page 65 explains the reliability and accuracy bands.

Key performance indicators

A summary of our KPIs, targets, actual performance, and confidence gradings is outlined below.

KPI	Measure	Target	Actual	Satisfactory	Reliability	Accuracy
Water						
Day-to-day continuity						
Relative incidence of planned and unplanned interruptions	Ratio (not greater than)	Greater than 1.25	1.20	✓	B	2
Adequacy and quality of normal supply						
Poor pressure complaints	No. per 1,000 connections	Max 1.52	0.14	✓	A	1
Drinking water quality and specific standards for physical/ chemical quality	% compliance ADWG	Min 98	96.9	✓	B	2
	E Coli	Min 99.9	100	✓	A	1
	Manganese (mainland only)	Min 98	100	✓	B	2
	pH	Min 98	99.9	✓	B	2
	Aluminium (mainland only)	Min 95	99.3	✓	B	2
	Chlorine	Min 95	91.4	✗	B	2
	Trichloromethanes	Min 95	100	✓	A	1
Continuity in the long term						
System water loss	Litres per connection per day	Max 150L	67L	✓	A	1



KPI	Measure	Target	Actual	Satisfactory	Reliability	Accuracy
Other						
Operating, maintenance and admin costs per megalitre of water treated	\$	Max 890	806.68	✓	A	1
Wastewater						
Continuity in the long term						
Wastewater main breaks and chokes	No. per 100km of main	Max 18	9.46	✓	A	1
Sewer inflow and infiltration (ADWF/ PWWF)	Ratio	<1:6	1:2.4	✓	A	1
Other						
Overall percentage compliance with EPA licence	%	Min 97	98.65	✓	A	1
Number of WWTP non-conformances with EPA licence over compliance year	No.	Max 19	8	✓	A	1
Nitrogen load from effluent discharge	Average kg per day	Max 110	50.22	✓	A	1
Operating, maintenance and admin costs per property serviced	\$	Max 238	228.32	✓	A	1



Snapshot of our financial performance

Water and wastewater services

Financial performance	2006-07 \$million	2007-08 \$million
Revenue from ordinary activities	56	61
Expenses from ordinary activities	46	56
Borrowing costs	1	1
Result from ordinary activities (before tax and dividend)	9	4
Total assets	891	811
Debt outstanding	128	192
Dividend and tax to Council	10	7

Water and wastewater services

Financial performance

	Actual 2006-07	Actual 2007-08	Variance
Operating revenue	\$56,424,000	\$61,170,000	\$4,746,000
Operating expenses	\$43,306,000	\$55,762,000	\$12,456,000
Operating surplus/ (deficit)	\$13,118,000	\$5,408,000	(\$7,710,000)
Capital works program	\$13,182,000	\$4,687,000	(\$8,495,000)

Financial ratios

Economic rate of return	10.62%	10.14%	(0.48%)
Rate of return on operating assets	1.44%	0.65%	(1.18%)
Debt to total equity	16.96%	31.55%	14.5%

Waste management

Financial performance	2006-07 \$million	2007-08 \$million
Revenue from ordinary activities	15	16
Expenses from ordinary activities	16	12
Borrowing costs	0	1
Result from ordinary activities (before tax and dividend)	-1	3
Total assets	20	20
Debt outstanding	3	5
Dividend and tax to Council	-1	2



Water and wastewater services

Financial performance

	Actual 2006-07	Actual 2007-08	Variance
Operating revenue	\$15,200,000	\$15,723,000	\$533,000
Operating expenses	\$16,208,000	\$12,666,000	(\$3,542,000)
Operating surplus/(deficit)	\$-1,008,000	\$3,067,000	\$4,075,000
Capital works program	\$701,000	\$665,000	\$36,000

Financial ratios

Economic rate of return	10.10%	8.03%	(2.07%)
Rate of return on operating assets	-5.1%	15.6%	21%
Debt to total equity	53.05%	114.3%	61%



Corporate governance

Changes to the annual performance plan

During the year, no major changes were made to the annual performance plan 2007-08.

Cross-subsidies

The Guidelines for Identification and Measurement of Cross-Subsidies issued by the Department of Natural Resources Mines and Water were applied to determine any cross-subsidies for water and wastewater services for 2007-08.

Full cost pricing	Water	Wastewater
Admin/ops/overheads	\$12,814,960	\$10,381,847
Depreciation	\$12,378,748	\$8,010,584
Competitive neutrality	\$1,566,793	\$3,812,185
Return on assets (includes tax and dividend)	\$4,270,359	\$8,042,968
Total FCP	\$31,030,859	\$30,247,583
Volume delivered to/wastewater received from customers kL	7,209,579	10,433,784
Average cost per kL (FCP)	\$4.30	\$2.90

Cross-subsidy reflecting revenue-cost divergence water supply 2007-08

Revenue sources	Domestic	Commercial	Other consumers	Total
Water charges	\$20,044,830	\$1,385,375	\$29,345	\$21,459,549
Other revenues	\$7,375,231	\$58,119		\$7,433,350
CSO	\$62,715		\$57,931	\$120,646
Headworks	\$513,305	\$36,861		\$550,167
Total revenue	\$27,996,081	\$1,480,355	\$87,276	\$29,563,712
kL used	5,947,637	1,232,486	29,455	7,209,579
\$/kL contribution	\$4.707	\$1.201	\$2.963	\$4.101
Difference per kL from FCP	\$0.403	-\$3.103	-\$1.341	-\$0.203
Cross-subsidy received	nil	nil	nil	nil



Cross-subsidy reflecting revenue-cost divergence wastewater supply 2007-08

Revenue sources	Domestic	Commercial	Other consumers	Total
Water charges	\$25,174,319	\$2,499,159	\$438,548	\$28,112,025
Other revenues	\$3,063,252	\$125,744		\$3,188,996
CSO	\$4,998	\$118,560		\$123,558
Headworks	\$796,651	\$108,634		\$905,286
Total revenue	\$29,039,220	\$2,852,097	\$438,548	\$32,329,865
kL used	8,973,054	1,252,054	208,676	10,433,784
\$/ kL contribution	\$3.236	\$2.278	\$2.102	\$3.099
Difference per kL from FCP	\$0.337	-\$0.621	-\$0.797	\$0.200
Cross-subsidy received	nil	nil	nil	nil



Community Financial Report 2007–2008

Purpose

This Community Financial Report is produced annually as part of Council’s Annual Report to provide members of the community, customers, business partners and employees with a better understanding of Council’s financial performance and position over the last financial year. The report uses plain language and pictorial aids such as graphs and tables to give all interested readers and stakeholders an easy to follow walk through of the financial statements for the past financial year.

The table below illustrates that during the 2007-08 financial year, Redland City Council met or bettered all financial targets established to maintain the financial health of the organisation. In summary, Council performed strongly in its ability to generate cash from day to day operations, meeting all financial commitments in the financial year and keeping debt to manageable levels. Council has maintained sufficient cash to pay bills as and when they fall due and kept loans to manageable levels.

This was achieved while maintaining the ongoing investment in community infrastructure and services.

Financial health indicator	Target	Actual performance
Level of dependence on rate revenue	32.4%	29.2%
Ability to pay our bills – current ratio	> 1.1	1.40
Ability to repay our debt – debt servicing ratio	< 17%	15.9%
Cash balance	\$32 - \$42 million	\$71.0 million
Cash balances – cash capacity in months	3 to 4 months	6.4 months
Longer term debt management– debt to assets	< 15%	6.0%
Operating performance	> 15%	21.9%

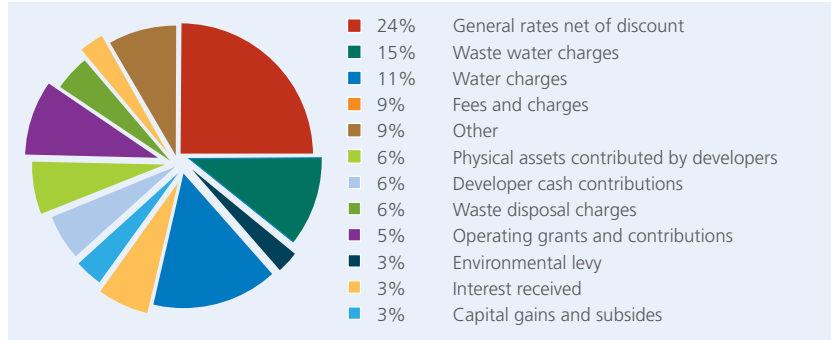
Below is a series of tables and graphs that illustrate Council's major sources of revenue and expenses in addition to the value of Council's assets and liabilities. Comparisons are made between the 2007-08 and 2006-07 financial years. The actual 2006-07 figures have been adjusted up to take account of price changes (CPI - Consumer Price Index), to ensure comparisons are meaningful.

Information at a glance

	2007-08 \$ million	2006-07 \$ million*
Total revenue	201.41	182.84*
Total operating (day to day) revenue	161.56	151.55*
Total expenses	187.97	180.04*
Loan interest costs	7.46	6.90*
Net increase in assets	32.86	488.79*

See Financial Statements 'Income Statement' page 82 for more information
 * CPI adjustment included to ensure comparison of like with like

What were the major sources of income to Council? (Income Statement)



Total income received throughout the year was \$201.4m. In comparison to the 2006-07 financial year, revenue increased from \$182.8m (CPI adjusted), a 10.2% increase.

Rates and utilities income comprised \$122.9m, which equates to 61.0% of total revenue. The major sources of rate income include general rates and charges for wastewater, water access, waste disposal and water consumption. Total fees and charges increased from \$17.4m (9.5% of total revenue in 2006-07, CPI adjusted) to \$17.5m (8.7% of total revenue in 2007-08).

Council earned \$5.1m or 2.6% of total revenue from interest on investments and overdue rates during the financial year, an increase from the previous year.

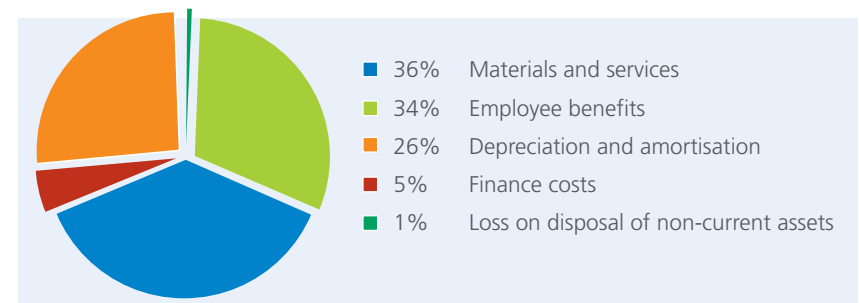
What expenses did Council have to meet? (Income Statement)

Redland City Council's expenses for the 2007-08 financial year totalled \$188.0m, an increase of 4.4% from the previous years' expense total of \$180.0m (CPI adjusted). A significant increase in expenditure is due to the impact on depreciation by the revaluation of infrastructure assets at 30 June 2007, depreciation has increased 20.6% (CPI adjusted). The largest expenses Council had to meet were payment to suppliers for materials and services, (36.8% of total costs), employee costs (31.7% of total costs) and depreciation of its assets (25.6% of total costs).

Payments to suppliers for the provision of materials and services for 2007-08 were \$69.1m - a 2.4% increase from the \$67.6m spent in 2006-07 (CPI adjusted). Material and services cost is a very large category of expenses and includes consultancy, contractor and materials used in meeting all activities in the operational plan for the community.

Employee costs totalled \$59.6m, a decrease of \$661,500 from 2006-07 (CPI adjusted). This expenditure includes wages and salaries, annual leave, long service leave, superannuation and allowances. The decrease on the previous year's employee costs is primarily due to the reduced number of permanent staff at Council as a result of the impact of staff transfers due to the water reforms and a conservative approach to staff vacancy replacement in view of the potential amalgamation agenda.

Depreciation on all Council assets increased from \$39.9m in the previous year to \$48.1m in 2007-08. Depreciation is the estimated run-down in the value of assets usually due to wear and tear or becoming out of date technically. The depreciation charge of \$48.1m represents only 2.4% of Council's total non-current assets.



What is the value of the community's assets in Council's care?
 How much does Council owe for loans?
 (Balance Sheet)

	2007-08 \$ million	2006-07 \$ million
Total assets	2,148.58	2,208.96*
Total liabilities	190.43	204.62*
Cash held	71.04	80.25*
Loan borrowings	128.53	138.15*

See Financial Statements 'Balance Sheet' page 83 for more information

* CPI adjustment included to ensure comparison of like with like

The value of all assets controlled by Council totalled \$2.1 billion at 30 June 2008. This figure is broken down between current assets of \$170 million (7.9%) and non-current assets of \$2.0 billion (92.1%).

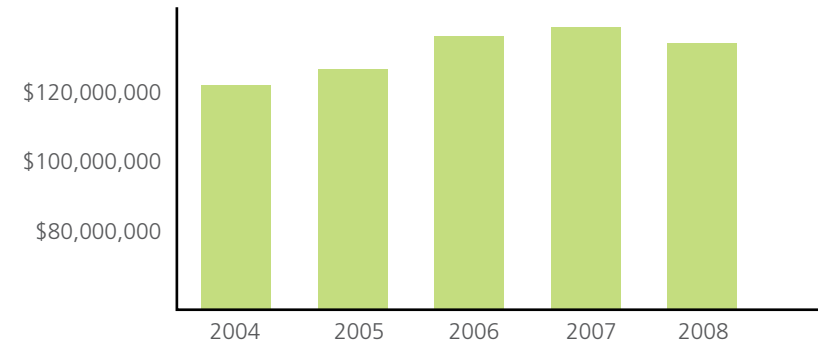
Current assets are those that are readily available to meet expenses and include mainly cash and amounts owed from customers. Cash assets were \$71.0m and receivables from customers \$15.6m at the end of the 2007-08 financial year. Additionally at 30 June 2008, Council had current assets of \$82.2m which were assets held for transfer as part of the purchase of the bulk water assets from the State Government on 1 July 2008.

Council's property plant and equipment assets of \$2.0 billion include freehold land, buildings, roadworks, stormwater drainage, water, wastewater, park, plant, equipment and other infrastructure assets.

Liabilities or amounts owing at 30 June 2008 totalled \$190.4m, \$121.8m of which is due for payment during 2008-09, and \$68.7m payable after that. Of particular note in the current liabilities is \$87.3m of current loans which were reduced when the sale of bulk water assets to the state government was finalised in July 2008. The largest single debt that Council owed at 30 June 2008 was to Queensland Treasury Corporation (QTC), the state government owned lending agency from which most local governments and state authorities source funding to finance their large scale infrastructure projects. At the end of the financial year Council owed QTC a total of \$128.5m.

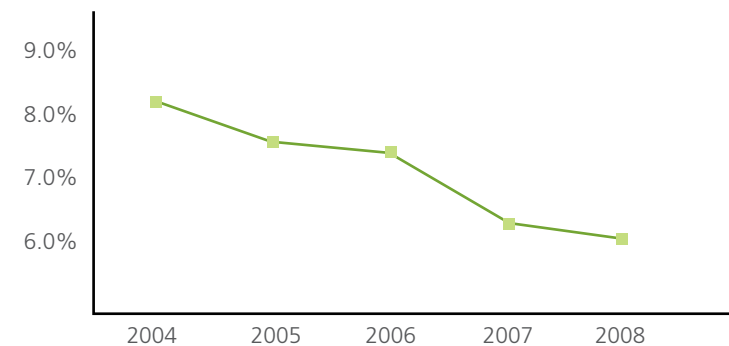
The graph below illustrates the level of Council debt to QTC over the past five years. All comparative year figures have been adjusted for CPI. In 2007-08 Council borrowed a further \$14.0m in new loans to fund major infrastructure projects. It also repaid \$18.2m in principal off the total loan balance in addition to \$7.5m in interest costs.

Five year analysis of Council's QTC debt



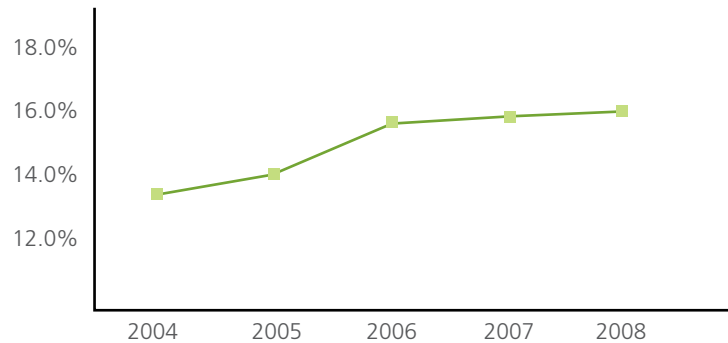
The graph below outlines Council's total loans compared to total assets over the past five years. At the end of the 2008 financial year total debt as a percentage of total assets was only 6.0%. This puts in perspective the relatively low level of borrowings compared with total assets and this percentage has continuously fallen over the last five financial years.

Debt to assets ratio



The following graph shows Council's ability to meet repayments of interest and principal from revenues raised.

Ability to meet debt vs operating revenue



In 2007-08, 15.9% of operating revenue is being spent repaying interest and principal on its borrowings. This percentage has remained fairly constant over the past five financial years and once again is a very acceptable and manageable level considering the size of Council's asset base

**What were the major sources of cash in and cash out?
(Statement of Cash Flows)**

The table below outlines the main monies received by Council and cash payments made by Council between 1 July 2007 and 30 June 2008.

	2007-08 \$ million	2006-07 \$ million
Net cash received from operations (excluding interest revenue and borrowing costs)	37.27	52.07*
Payments for construction of essential services including roadworks, water and wastewater infrastructure and other assets	38.43	54.13*
New loans taken out	14.00	28.11*
Repayment of debt	18.17	16.82*

See Financial Statements 'Statement of Cash Flows' page 84 for more information
* CPI adjustment included to ensure comparison of like with like

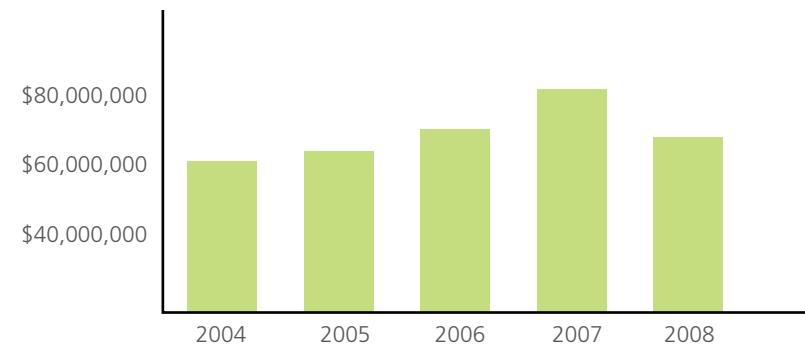
The cash flow statement is summarised into three activities:

- Operating activities - are normal day to day functions of Council. These include receipts of rates, fees and charges and operating grants offset by payments for employees' costs, materials and services and interest costs.
- Investing activities - include payments for the purchase and construction of property, plant and equipment and proceeds for the sale of surplus assets.
- Financing activities - are repayments of principal on Council's loans, as well as the inflows from new loans drawn down in the year.

Council started the 2007-08 financial year with \$77.1m total cash in the bank and ended the year with \$71.0m, exceeding the target for cash held and equivalent cash capacity in months.

The following graph shows Council's total cash holdings for the past five years.

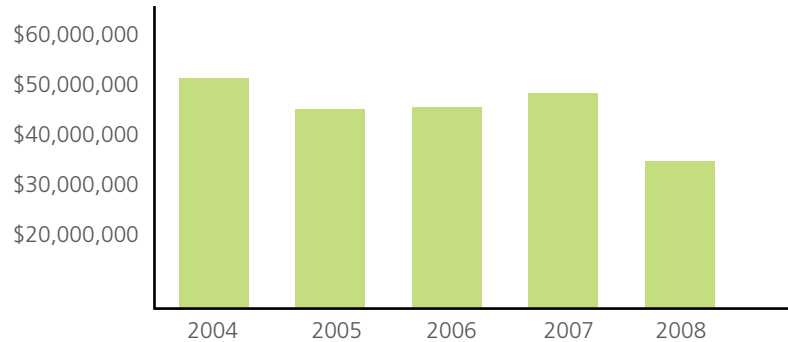
Five year analysis of cash balances



To maintain its strong financial position on behalf of the community, Council must make enough cash from its day to day operations to fund purchases of property, plant and equipment, repay interest and principal payments on loans, and leave enough in reserve for future requirements.

The graph below shows the level of net cash Council has been generating from normal day to day operations over the past five years.

Net cash from operations

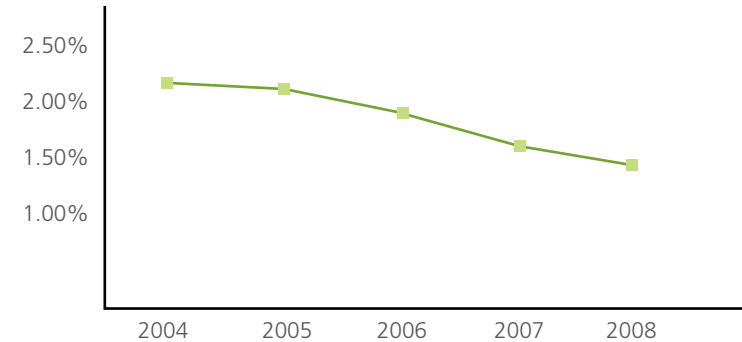


The decrease in the net cash from operations is in the main due to a number of significant one-off payments for supply specific to 2007-08 and substantial clearance of payables at the end of year resulting in a lower balance of amounts owing to suppliers at the end of year.

An essential requirement for any business including Council is its ability to pay its bills as and when they fall due. A good benchmark for measuring this capacity is called the current asset ratio which is the ratio of current assets to current liabilities.

The following diagram illustrates that the ratio is greater than one and therefore positive.

Ability to pay bills in 12 months



Summary

During the 2007-08 financial year, Redland City Council once again delivered a large program of operational and capital works to the community. Council achieved this result while still outperforming all seven of the key financial performance indicators. Council continued to meet all financial commitments and keep debt at manageable levels. Your Council is in a strong financial position to deliver the planned program of projects and services throughout the 2008-09 financial year and this was evidenced through the result from the local government amalgamations, where the Council was unaffected except for a name change. The decision that Council was not required to amalgamate was influenced by its financial performance and position over recent years and demonstrated planning for future years.

Annual Financial Statements

for the year ended 30 June 2008

	Page No.		Page No.
Income Statement.....	82	16(b). Current assets held for transfer	100
Balance Sheet	83	17. Other assets.....	100
Statement of Cash Flows.....	84	18. Investment property.....	100
Statement of Changes in Equity.....	85	19(a). Property, plant and equipment.....	101
Notes to the financial statements for the year ended 30 June 2008		19(b). Property, plant and equipment prior year comparatives	102
1. Basis of preparation	86	19(c). Property, plant and equipment valuations.....	103
2. Summary of significant accounting policies	87	20. Capital works in progress	104
3. Statement of functions and activities.....	92	21. Intangible assets.....	104
(a) Analysis of results by function.....	92	22. Trade and other payables	104
(b) Component programs/functions.....	93	23. Interest bearing loans and borrowings.....	105
4. Revenue analysis.....	94	24. Employee benefits.....	105
5. Grants, subsidies and contributions	95	25. Provisions	106
6. Net adjustment for prior years assets.....	96	26. Other liabilities.....	106
7. Employee expenses.....	96	27. Asset revaluation reserve.....	107
8. Materials and services.....	97	28. Other reserves.....	108
9. Finance costs.....	97	29. Commitments	110
10. Depreciation and amortisation	98	30. Contingent liabilities.....	111
11. Loss on disposal of non-current assets.....	98	31. Superannuation.....	111
12. Other expenses	98	32. Trust funds	111
13. Cash and cash equivalents.....	99	33. Reconciliation of the result from ordinary activities to net.....	112
14. Trade and other receivables.....	99	Cash inflows (outflows) from operating activities	112
15. Inventories	99	34. Financial instruments and risk management	113
16(a). Non current assets classified as held for sale.....	100	35. National Competition Policy	115
		Management certificate.....	116
		Independent audit report.....	117

Income Statement

For the Year Ended 30 June 2008

	Note	2008 \$	2007 \$
Revenue			
Recurrent revenue			
Net rates and utility charges	4(a)	122,944,439	112,983,963
Fees and charges	4(b)	17,522,288	16,681,868
Rental income	4(c)	397,420	373,980
Interest received	4(d)	5,141,557	3,901,851
Sales-contract and recoverable works	4(e)	4,319,765	837,334
Grants, subsidies and contributions	5(a)	9,556,325	9,295,773
Insurance proceeds		82,218	-
Other recurrent income		1,599,175	1,493,369
Total recurrent revenue		161,563,186	145,568,138
Capital revenue			
Grants, subsidies and contributions	5(b)(i)	18,602,204	14,626,823
Non-cash developer contributions	5(b)(ii)	13,051,593	12,434,401
Net adjustment for prior years assets	6	8,180,258	3,000,276
Increase in fair value investment property		15,600	-
Total capital revenue		39,849,655	30,061,500
TOTAL REVENUE		201,412,841	175,629,637
Expenses			
Employee benefits	7	(59,629,863)	(57,911,203)
Materials and services	8	(69,142,771)	(64,887,116)
Finance costs	9	(9,123,373)	(7,754,605)
Depreciation and amortisation	10	(48,077,028)	(38,297,930)
Loss on disposal of non-current assets	11	(1,430,336)	(4,001,692)
Other expenditure	12	(568,019)	(86,182)
Total recurrent expenses		(187,971,390)	(172,938,727)
TOTAL EXPENSES		(187,971,390)	(172,938,727)
NET RESULT ATTRIBUTABLE TO COUNCIL		13,441,451	2,690,910

The above statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at Year Ended 30 June 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	13	71,043,320	77,086,383
Trade and other receivables	14(a)	15,564,167	11,090,485
Inventories	15	510,370	501,858
Assets classified as held for sale	16(a)	153,157	122,333
Assets held for transfer	16(b)	82,218,404	-
Other assets	17	1,031,689	686,369
Total Current Assets		170,521,107	89,487,428
NON-CURRENT ASSETS			
Trade and other receivables	14(b)	124,582	179,660
Investment property	18	3,675,600	3,660,000
Property, plant and equipment	19	1,963,331,412	2,005,393,848
Capital work in progress	20	9,706,158	21,861,689
Intangible assets	21	1,217,634	1,250,008
Total Non-Current Assets		1,978,055,386	2,032,345,205
TOTAL ASSETS		2,148,576,492	2,121,832,633
CURRENT LIABILITIES			
Trade and other payables	22	19,751,393	22,911,787
Interest bearing loans and borrowings	23	87,278,546	18,022,093
Employee benefits	24(a)	5,356,162	5,525,823
Provisions	25(a)	2,043,311	1,385,348
Other liabilities	26	7,332,467	7,502,373
Total Current Liabilities		121,761,879	55,347,423
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	23	41,252,720	114,682,938
Employee benefits	24(b)	7,278,553	7,678,676
Provisions	25(b)	20,137,388	18,836,496
Total Non-Current Liabilities		68,668,662	141,198,110
TOTAL LIABILITIES		190,430,540	196,545,533
NET COMMUNITY ASSETS		1,958,145,952	1,925,287,100
COMMUNITY EQUITY			
Asset revaluation reserve	27	1,108,084,890	1,087,271,876
Retained surplus		815,963,526	811,117,276
Other reserves	28	34,097,535	26,897,948
TOTAL COMMUNITY EQUITY		1,958,145,951	1,925,287,100

The above statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the Year Ended 30 June 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		169,957,340	159,142,633
Payments to suppliers and employees		(132,688,664)	(109,124,058)
		37,268,676	50,018,575
Interest received		5,141,557	3,901,851
Borrowing costs		(7,460,128)	(6,632,371)
Net cash inflow from operating activities	33	34,950,104	47,288,055
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(37,872,565)	(50,993,449)
Payments for intangible assets		(556,444)	(1,003,657)
Net repayment in loans to community groups		60,078	64,263
Proceeds from sale of property, plant & equipment		1,549,528	2,100,235
Net cash outflow from investing activities		(36,819,403)	(49,832,608)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings	23	14,000,000	27,000,000
Repayment of Borrowings	23	(18,173,764)	(16,154,661)
Net cash inflow from financing activities		(4,173,764)	10,845,339
Net increase in cash held		(6,043,063)	8,300,785
Cash at beginning of financial year		77,086,383	68,785,598
Cash at end of financial year	13	71,043,320	77,086,383

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the Year Ended 30 June 2008

	Total		Retained Surplus		Asset Revaluation Reserve (note 27)		Other Reserves (note 28)	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Balance at beginning of period	1,925,287,102	1,455,778,872	811,117,277	799,168,630	1,087,271,876	620,454,559	26,897,948	36,155,684
Net result for the period	13,441,451	2,690,911	13,441,451	2,690,911	-	-	-	-
Transfers to reserves	-	1	(21,746,385)	(20,778,798)	-	-	21,746,385	20,778,799
Transfers from reserves	-	-	14,546,798	30,036,535	-	-	(14,546,798)	(30,036,535)
Asset revaluation adjustments	20,813,014	466,817,317	-	-	20,813,014	466,817,317	-	-
Adjustment for prior year assets	(1,395,616)	-	(1,395,616)	-	-	-	-	-
Balance at end of period	1,958,145,951	1,925,287,102	815,963,525	811,117,277	1,108,084,890	1,087,271,876	34,097,535	26,897,948

The above statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the Year Ended 30 June 2008

1. Basis of preparation

1.01 Constitution

The Redland City Council is constituted under the Queensland Local Government Act 1993 and is domiciled in Australia.

1.02 Date of authorisation

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the management certificate is signed.

The Local Government has the power to amend the Financial Report after it is authorised for issue until the adoption of the report by the Local Government as part of the Annual Report.

1.03 General

This financial report has been prepared as a general purpose financial report and complies with the requirements of the Local Government Act 1993, the Local Government Finance Standard 2005 and the Australian Accounting Standards including AAS27.

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AEIFRS). Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied this report does not comply with IFRS. The main impact is in the offsetting of revaluation and impairment gains and losses within a class of assets. The financial statements are also in line with recent changes to AASB7 - Financial Instruments for periods commencing after 1 July 2007. Changes to AASB7 include disclosure of all risks and information regarding how financial instrument risks are managed and applies to all financial instruments, including receivables and payables (except as specified).

Except where otherwise stated the financial report has been prepared in accordance with the historical cost basis. Unless otherwise stated, accounting policies are the same as the previous year.

1.04 Currency

The Council uses the Australian Dollar as its functional currency and its presentation currency.

1.05 Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by the Redland City Council as at 30 June 2008 and the results of all controlled entities for the year then ended.

At 30 June 2008 the Council had control over Redheart Pty Ltd a company whose principal activity was to act as the holder of the mining lease pursuant to the Mineral Resources Act 1989 in respect of the Council's German Church Road quarry operations. As at 30 June 2008 the company had net assets of \$2 and remained dormant throughout the financial year.

2. Summary of significant accounting policies

2.01 Rates, grants and other revenue

Rates, grants and other revenue are recognised as revenue on receipt of funds or earlier unconditional entitlement to the funds.

(i) Rates

Rate revenue is recognised at the time the rates are levied or rate monies are received whichever is the earlier.

(ii) Grants and subsidies

Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as a liability until such time Council has extinguished any obligations set by the grantor. When all obligations have been met the grant is recognised as revenue.

(iii) Non-cash contributions

Physical assets contributed to Council by developers in the form of roadworks, water and sewerage infrastructure and park equipment are recognised as revenue when the development goes "off maintenance" and there is sufficient data in the form of drawings and plans to determine the specifications and values of such assets.

(iv) Interest

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset.

2.02 Cash and cash equivalents

For the purposes of the Balance Sheet and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes liquid investments with short periods to maturity that are readily convertible to cash at the Council's option without penalty and that are subject to a low risk of changes in value. The Council considers all its term deposits, being for periods of less than three months to be cash equivalents.

2.03 Receivables

"Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors generally within 30 days from the invoice date.

The collectability of receivables is assessed periodically with allowance being made for impairment. All known bad debts were written-off at 30 June.

Loans and advances to community groups are recognised at amortised cost. Outstanding terms range from 2 to 7 years with all loans being interest free. Security is not normally obtained."

2.04 Other assets

"Prepaid expenses for vehicle registration, insurances and other expenditure is recognised initially as a current asset. Once the benefits are received in the future the amount is expensed."

"All Council inventories are held for distribution. Inventories held for distribution are:

- Goods to be supplied at no, or nominal, charge, and
- Goods to be used for the provision of services at no, or nominal, charge.

These goods are valued at the lower of cost and replacement cost.

2.06 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or both. Investment properties are initially recorded at cost and subsequently at fair value. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arms' length transaction. Gains or losses arising from changes in the fair value of investment property are included in the income statement for the period in which they arise.

2.07 Property, plant and equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, accumulated depreciation and impairment loss.

(i) Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration such as cost of materials, direct labour and where relevant, the initial estimate of restoring the site on which the assets are located, plus costs incidental to the acquisition, including all costs incurred in preparing the assets for use. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms' length transaction.

Non-monetary assets received in the form of roadworks, water and sewerage infrastructure and park equipment are recognised as assets and revenues at fair value by Council valuation.

The cost of non-current assets constructed by the Local Government includes the cost of materials, direct labour and an appropriate proportion of fixed and variable overheads. Maintenance and repair costs are expensed as incurred.

Non-current asset thresholds for recognition purposes are as follows:

Office equipment and furniture	\$200
Plant and equipment	\$500
Land and buildings	\$5000
Infrastructure	\$5000
Computer equipment	\$1000
Computer software	\$1000
Parks and gardens	\$500

(ii) Capital and operating expenditure

Wages and material costs incurred in the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of non-current assets are expensed as incurred. Expenditure that relates to the replacement of a major component of an asset to maintain its service potential is capitalised.

(iii) Depreciation

"All non-current assets, having a limited useful life, are systematically depreciated over their useful lives on a straight line basis. The estimated remaining useful life of each depreciable asset is reviewed annually. Land is not depreciated.

Assets are depreciated from the date of acquisition, or in respect of internally constructed assets, from the time an asset is commissioned and ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council."

Depreciation has been calculated on all assets using the straight line method. Major depreciation periods are :-

Road Seal	10-20 years
Road Pavement.....	80 years
Buildings.....	50 years
Water and sewerage infrastructure	20-80 years
Plant and equipment	3-15 years
Other non-current assets	5-80 years

2.08 Capital works in progress

The cost of property, plant and equipment being constructed by Council includes the cost of materials and direct labour and an appropriate proportion of fixed and variable overheads.

2.09 Leasing

All leases are operating leases. Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

2.10 Impairment

“All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, Council determines the asset’s recoverable amount. Any amount by which the asset’s carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset’s recoverable amount is determined as the higher of the asset’s fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. The increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.”

2.11 Trade and other payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price. Amounts owing are unsecured and are generally settled 30 days from the end of the month of the date of invoice.

2.12 Liabilities - employee benefits

“Employee benefits are accrued for such items as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the balance date. Liabilities for employee entitlements are assessed at each balance date. Sick leave taken in the future will be met by future entitlements and hence no recognition of sick leave has been made in these financial statements. Annual leave is treated as a current liability. Long service leave that is expected to be taken in the next twelve months is treated as a current liability, otherwise it is treated as non-current.

“(i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at balance date based on current pay rates in respect of employees’ services to that date.

(ii) Annual Leave

A liability for annual leave is recognised based on current wage and salary levels indexed by certified enterprise bargaining agreement increases and related employee on-costs such as superannuation contributions.

(iii) Superannuation

The superannuation expense for the reporting period is the amount of the contribution the local government makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 31.

(iv) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the balance date. The value of the liability is calculated using current pay rates indexed by certified enterprise bargaining agreement increases and related employee on-costs such as superannuation contributions and discounted using rates attached to Commonwealth Government bonds at balance date which had maturity dates approximating the terms of the Council’s liabilities.

2.13 Provisions for remediation of landfill sites and quarry

A provision is recognised in the balance sheet when Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and where appropriate the risks specific to the liability.

2.14 Components of equity

(i) Asset revaluation reserve

“This reserve is comprised of adjustments relating to changes in the fair value of non-current assets which arise primarily from changes in the purchasing power of money, including restatements of non-monetary assets. Net incremental changes in the carrying value of classes of non-current assets, since their initial recognition, are accumulated in this reserve.

Increases and decreases on revaluation are offset within a class of assets. Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation reserve in respect of that class. Any excess is treated as an expense.

(ii) Retained surplus

This represents the amount of Council’s net worth not set aside in reserves to meet specific future needs. The main part of this amount is not available for Council to spend as it has already been invested in assets used to provide services.

(iii) Other reserves

The following reserves are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

Constrained works reserves

“This reserve includes all contributions of monetary revenue received during the reported and previous periods which are constrained for the purpose of funding specific capital expenditure.

As the expenditure is incurred on specified capital assets, the equivalent amounts are transferred to retained surplus. The closing balance reported at the period end represents amounts not yet expended and must be retained until expended in the manner specified by the contributor or relevant legislation.”

Special projects reserve

Amounts are set aside in this reserve to meet specific projects.

Environment reserve

This reserve was created to hold funds collected from the Environment Levies for environmental land acquisition, conservation maintenance, and landfill remediation.

Special separate charges reserve

This reserve hold funds collected from the Rural Fire Levy Special Charge and the Russell Island Swimming Pool Levy. The funds collected from the Rural Fire Levy Special Charge are distributed to the respective Southern Moreton Bay Island Rural Fire Brigades. The funds collected from the Russell Island Swimming Pool Levy will be allocated to the set-up and construction of the Russell Island Community/School Pool.

Canal maintenance reserve

This reserve was created to hold funds collected from the Canal Special Charge and the Sovereign Waters Lake Special Charge for ongoing and future maintenance.

2.15 National Competition Policy

Council has reviewed its activities and has identified activities that are business activities. Details of these activities can be found in the Statement of Activities to which the Code of Competitive Conduct Applies.

2.16 Investments

“Under the Statutory Bodies Financial Arrangements Act 1982 and Statutory Bodies Financial Arrangements Regulations 1997 Council has been assigned category 1 investment powers which relates to investment terms of not more than one (1) year.

Authorised investments comprise:

- Deposits with a financial institution;
- Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- Other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- Investment with Queensland Treasury Corporation (QTC) Cash fund, QTC 11am fund or QTC Debt Offset Facility; QIC Cash trust, QIC Pooled Cash Fund. An investment arrangement with a rating prescribed under a regulation for this paragraph;
- Other investment arrangements prescribing under a regulation for this paragraph.
- Investments in Bond Mutual Funds/ Managed Funds. The Department of Local Government, Sport and Recreation has delegated authority under part 7A of the Statutory Bodies Financial Arrangements Act 1982, to grant approval for a local authority to invest in bond mutual funds (cash plus type funds), subject to certain conditions.

The Council must first provide a written proposal to the Department of Local Government, Sport and Recreation with complete details and seek the Director General’s approval to the request.

2.17 Trust funds held for outside parties

Funds held in the separate Trust Account on behalf of outside parties includes proceeds in excess of rates and charges recovered through sale of land for overdue rates and various security deposits lodged to guarantee performance. The Council performs a custodial role in respect of these monies and because they cannot be used for Council purposes, they are not considered to be revenue nor brought to account in the Financial Statements. They are disclosed in Note 32 to the financial statements for information purposes only.

2.18 Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (‘GST’). The net amount of GST recoverable from the ATO is shown as an asset.

2.19 Interest bearing liabilities

“Loans payable are measured at amortised cost. Interest is recognised as it accrues.

Borrowing costs are treated as an expense and not capitalised.”

2.20 Subsequent events

Council has prepared the 2007/08 financial statements with the knowledge and expectation that on 1 July 2008, the Redland Water & Waste bulk water assets will transfer to state government ownership. It is expected that Council will receive a compensation payment for the Redland Water & Waste bulk water assets and will immediately use payment of these funds to repay debt for loans with Queensland Treasury Corporation. The detail of this transfer can be seen within Note 16(b) to the financial statements and Note 23.

3. Statement of Functions and Activities

3(a). Analysis of results by function

Revenue, expenses and assets have been attributed to the following functions:

Functions	Revenue		Total Revenue	Total Expenses	Net Result	Assets
	Grants	Other				
	2008 \$	2008 \$	2008 \$	2008 \$	2008 \$	2008 \$
Chief Executive Office Department	2,250	40,775	43,025	5,389,290	(5,346,265)	155,783
Customer Services Department	7,620,170	16,464,093	24,084,263	77,953,885	(53,869,622)	152,843,308
Redland Water & Waste Department	103,689	86,315,919	86,419,608	65,761,345	20,658,263	805,219,021
Planning and Policy Department	1,908,191	26,952,294	28,860,485	27,770,227	1,090,258	1,048,026,592
Corporate Services Department	4,522,061	57,483,399	62,005,460	11,096,643	50,908,817	142,331,788
Total	14,156,361	187,256,480	201,412,841	187,971,390	13,441,450	2,148,576,492

Prior Year

Functions	Revenue		Total Revenue	Total Expenses	Net Result	Assets
	Grants	Other				
	2007 \$	2007 \$	2007 \$	2007 \$	2007 \$	2007 \$
Chief Executive Office Department	2,000	614	2,614	3,930,811	(3,928,197)	10,016
Customer Services Department	6,343,011	14,171,806	20,514,816	70,704,350	(50,189,533)	147,965,719
Redland Water & Waste Department	671,578	80,303,039	80,974,617	57,775,055	23,199,562	854,228,893
Planning and Policy Department	852,454	16,662,808	17,515,262	28,791,895	(11,276,634)	971,548,097
Corporate Services Department	4,165,187	52,457,142	56,622,329	11,736,616	44,885,713	148,079,907
Total	12,034,230	163,595,408	175,629,638	172,938,727	2,690,911	2,121,832,633

3. Statement of Functions and Activities

3(b) Component programs/functions

The activities relating to Council's components reported on in Note 3(a) are as follows:-

Chief Executive Office

The Chief Executive Officer (CEO) is responsible for the overall management of the organisation. The CEO is the link between the elected Council and the organisation and is responsible for ensuring that Council decisions are implemented.

Customer Services

Customer Services is responsible for responding to areas of Council in relation to operational support. It comprises five Groups: Assessment Services, Customer & Community Services, Operations and Maintenance, Project Delivery Group, and the Office of the General Manager.

Planning and Policy

Planning and Policy is responsible for developing medium and long term tactical plans of 5 - 10 years to address Council's corporate outcomes through capital works programs and financial projections. The Planning and Policy Groups also develop more specific capital works and services programs to achieve outcomes identified in the Corporate Plan through three-year operational plans and budget projections and a comprehensive annual program of capital works. Planning and Policy consists of 7 groups: Land Use, Environmental Management, Community and Social Planning, Economic Development, Infrastructure Development, Corporate Planning Performance and Risk and the Office of the General Manager.

Corporate Services

Corporate Services is responsible for delivery of the following internal services: - Marketing and Communications, Financial Services, Human Resources, Information Management, Legal Services and Corporate Acquisitions Fleet and Facilities.

Redland Water & Waste

This is a Type II business unit responsible for the provision of quality and environmentally sensitive water and waste water infrastructure and services. It also incorporates all waste management functions including quality and environmentally sensitive waste collection, recycling and disposal infrastructure and services.

4. Revenue analysis

	Note	2008 \$	2007 \$
(a) Rates and charges			
General rates		52,447,839	48,942,464
Special charges		1,788,672	1,281,184
Environment levy		5,664,109	5,070,521
Water access		12,334,893	10,616,871
Water consumption		9,124,656	9,868,717
Wastewater		30,939,053	27,128,356
Trade waste		1,052,207	983,700
Waste disposal		11,529,138	10,840,252
Total rates and utility charges		124,880,567	114,732,064
Less pensioner remissions		(1,936,128)	(1,748,101)
Net rates and utility charges		122,944,439	112,983,964
(b) Fees and charges			
Fines and penalties		703,029	501,038
Mooring and parking fees		626,213	476,764
Search fees		1,084,350	1,125,186
Building application fees		1,986,568	2,054,582
Development application fees		2,458,686	2,617,662
Water and sewerage application fees		569,726	392,157
Camping fees		1,285,108	1,445,014
License fees		1,336,639	1,370,473
Weighbridge collection fees		960,021	1,015,791
Child care fees		2,723,288	2,434,564
Other fees and charges		3,788,659	3,248,637
		17,522,288	16,681,868
(c) Rental income			
Investment property rentals		397,420	373,980
(d) Interest received			
Interest received from financial institutions		4,722,475	3,473,415
Interest from rates and utility charges		419,082	428,436
		5,141,557	3,901,851
(e) Sales-contract and recoverable works			
Recoverable works		4,319,765	837,334
		4,319,765	837,334

During the 2007-08 financial year, Council was reimbursed for approx. \$3.2m for work carried out on the eastern interconnector pipeline associated with the state water grid development.

5. Grants, subsidies and contributions

Note	2008 \$	2007 \$
------	------------	------------

(a) Recurrent - Government Grants and subsidies, and other contributions are analysed as follows:

Contributions		2,264,138	2,114,459
Government subsidies and grants		3,025,839	3,209,212
General purpose government grants		4,266,348	3,972,102
Total recurrent revenue		9,556,325	9,295,773

(b) Capital - government grants and subsidies, other contributions and donations are analysed as follows:

(i) Monetary revenue constrained for capital funding purposes government subsidies and grants		6,864,174	4,852,916
Contributions		11,738,030	9,773,907
Total constrained revenue		18,602,204	14,626,823
(ii) Non-monetary revenue received is analysed as follows:			
Infrastructure from developers at fair value		13,051,593	12,434,401
Total non-monetary revenue		13,051,593	12,434,401
Total capital revenue		31,653,797	27,061,224

Conditions over contributions and grants

Contributions and grants which were recognised as revenues during the current reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:

Road infrastructure		2,073,941	1,836,463
Parks infrastructure		1,758,570	829,033
Water and wastewater infrastructure		7,839,519	6,985,609
Unexpended operating grants		3,200	3,100
Unexpended capital grants		-	-
		11,675,229	9,654,206

Contributions and grants which have been recognised as revenue in a previous reporting period and were expended during the current reporting period in accordance with Council's obligations.

Road infrastructure		270,897	895,594
Parks Infrastructure		902,138	818,131
Water and wastewater infrastructure		-	8,490,446
Operating grants		45,455	346,474
Capital grants		966,513	1,373,235
Net increase (decrease) in restricted asset (cash) at period end.		2,185,003	11,923,879

6. Net adjustment for prior year assets

	Note	2008 \$	2007 \$
Buildings		124,700	712,701
Plant and equipment		2,200	5,093
Road infrastructure and stormwater assets		7,534,521	(240,105)
Water infrastructure		1,929,027	786,594
Wastewater infrastructure		(2,019,679)	2,242,356
Parks infrastructure		578,373	(311,764)
Other infrastructure		31,116	(194,599)
Land		-	-
		8,180,258	3,000,276

These changes are a result of changes in accounting estimates.

Council officers are currently undertaking a project to further refine the data related to stormwater assets and capture assets not previously recorded. Other asset classes are undergoing a similar data cleansing activity.

7. Employee expenses

Total staff wages and salaries		46,466,167	45,306,953
Annual leave and long service leave entitlements		4,973,963	5,787,319
Superannuation	31	5,522,644	5,422,490
		56,962,773	56,516,762
Other employee-related expenses		5,604,614	4,310,805
		62,567,388	60,827,567
Less: capitalised employee costs		(4,051,826)	(3,944,820)
		58,515,562	56,882,747
Councillors' remuneration		1,114,301	1,028,456
		59,629,864	57,911,203

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

8. Materials and services

	Note	2008 \$	2007 \$
Redland Water & Waste - outsourcing costs		14,357,297	19,147,469
Other Council outsourcing costs		22,397,165	19,866,991
Purchase of materials		10,920,075	7,009,145
Office administration costs		7,218,001	4,933,805
Electricity charges		3,847,717	3,692,223
Plant operations		4,257,747	4,033,796
Information technology resources		2,054,204	2,048,677
Office equipment		530,239	751,436
General insurance		1,012,376	1,260,651
Community grants		1,889,778	943,415
Other material & service expenses		658,173	1,199,509
		69,142,771	64,887,117

Outsourcing costs for the 2007-08 financial year for Redland Water & Waste reduced significantly due to the impending transfer of bulk water assets to state government ownership on 1 July 2008.

9. Finance costs

Finance costs charged by the Queensland Treasury Corporation		7,460,128	6,632,371
Bank charges		380,911	374,449
Bad debts		(7,820)	18,518
Borrowing costs - landfill and quarry remediation		1,290,154	729,267
		9,123,373	7,754,605

10. Depreciation and amortisation

	Note	2008 \$	2007 \$
(a) Depreciation of non current assets			
Buildings		2,916,245	2,626,833
Plant and equipment		3,747,206	3,659,500
Other assets		801,389	769,317
Road and stormwater drainage		11,941,377	11,886,883
Water		12,342,344	5,693,704
Wastewater		7,957,429	7,438,074
Parks		3,238,636	3,247,264
Other infrastructure assets		4,543,584	2,157,987
		47,488,211	37,479,561
(b) Amortisation of intangible assets			
Software		588,818	818,369
Total depreciation and amortisation		48,077,028	38,297,930

11. Loss on disposal of non-current assets

(i) Proceeds from the sale of property, plant and equipment		(1,239,687)	(1,619,121)
Less: book value of property, plant and equipment disposed		2,635,644	5,884,254
		1,395,957	4,265,133
(ii) Proceeds from the sale of land		(309,841)	(481,113)
Less: book value of land disposed		344,220	217,672
		34,379	(263,440)
		1,430,336	4,001,693

12. Other expenditure

Audit services		197,188	84,335
Loss on impairment of assets classified as held for sale		18,805	1,847
Loss on impairment of property, plant and equipment		233,117	-
Other expenses		118,910	-
		568,019	86,182

13. Cash and cash equivalents	Note	2008 \$	2007 \$
Cash at bank		1,167,389	1,352,976
Cash on hand		18,605	16,155
Deposits at call		69,857,326	75,717,252
Balance per cash flow statement		71,043,320	77,086,383
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent operating grants		31,369	67,639
Unspent capital grants		-	966,513
Unspent developers contributions		13,297,615	5,383,375
Total unspent restricted cash		13,328,984	6,417,527

14. Trade and other receivables

(a) Current

Rates and utility charges		6,599,504	6,718,211
Other debtors		7,495,879	2,619,493
GST recoverable		1,454,387	1,750,475
Loans and advances to community organisations		59,263	64,263
Less: allowance for impairment		(44,867)	(61,958)
		15,564,167	11,090,485

(b) Non-current

Loans and advances to community organisations		124,582	179,660
---	--	----------------	----------------

Interest is charged on outstanding rates at 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk interest for rates and utility charges, fees and other receivable. Loans relate to advances made to various sporting and community organisations in the Redland City. All loans are made on an interest free basis.

15. Inventories

Inventories held for distribution

Gravel stockpiles		139,376	110,750
Plant and equipment stores		370,994	391,108
Total inventories for distribution		510,370	501,858

All inventories held by Council throughout the financial year were held for distribution. All inventories are valued at the lower of cost and replacement value.

16. Assets classified as held for sale/transfer

Note	2008	2007
	\$	\$

(a) Assets held for sale

Freehold land		-	-
Plant and equipment		171,962	124,180
Impairment adjustment in period		(18,805)	(1,847)
		153,157	122,333

(b) Assets held for transfer

Bulk water assets - held for transfer		82,218,404	-
---------------------------------------	--	------------	---

These assets are the Redland Water and Waste Bulk Water assets held by Council and scheduled to transfer to state government ownership on 1 July 2008. The balance shown above is the expected value in compensation and includes various assets such as; infrastructure, plant and equipment, motor vehicles, computer hardware, office equipment, furniture and land. These assets have been written down to fair value as per the transfer notice and compensation payment to be made by the state government.

17. Other assets

Prepayments		1,031,689	686,369
-------------	--	-----------	---------

18. Investment property

Opening balance		3,660,000	3,660,000
Transfer from property, plant & equipment		-	-
Change in fair value of investment property		15,600	-
		3,675,600	3,660,000

Investment properties include a block of 4 shops situated at Dollery Road Capalaba.

19. Property, plant and equipment

	Land \$	Buildings \$	Plant and equipment \$	Road and stormwater drainage \$	Water \$	Wastewater \$	Parks \$	Waste and other infrastructure \$	Other assets \$	Total \$
Asset values										
Opening gross value at cost	7,943,569	2,499,371	27,547,631	-	1,595,071	10,631,156	4,111,418	2,864,729	8,376,125	65,569,070
Opening gross value at valuation	282,693,864	106,827,510		929,958,919	620,728,133	509,698,763	61,974,791	152,357,758	-	2,664,239,738
Additions at cost	5,602,861	10,576,709	5,069,193	11,625,271	7,518,744	2,015,536	3,161,721	3,503,408	954,654	50,028,097
Contributed assets at valuation	51,840	-	-	7,526,556	2,500,961	2,529,344	442,892	-	-	13,051,593
Land acquired in lieu of rates	229,439	-	-	-	-	-	-	-	-	229,439
Disposals	(344,220)	(1,172,934)	(3,023,386)	(944,812)	(731,074)	(1,451,237)	(487,029)	(451,835)	(682,850)	(9,289,376)
Revaluation adjustment to the ARR	19,651,133	2,043,048	-	68,641,362	-	-	(37,561)	-	-	90,297,983
Revaluation adjustment to ARR for disposals	(5,189,547)	-	-	(902,191)	(217,192)	(1,073,801)	(84,735)	(51,322)	-	(7,518,788)
Assets classified as held for sale	-	-	(817,191)	-	-	-	-	-	-	(817,191)
Adjustment for prior years assets	-	337,963	30,966	2,668,352	3,846,783	1,318,096	322,810	(468,511)	-	8,056,459
Transfers between non-current asset classes	(12,874,000)	(373,170)	(16,455)	-	(183,244,819)	(27,068)	160,698	212,813	-	(196,162,001)
Closing gross value	297,764,939	120,738,497	28,790,758	1,018,573,457	451,996,607	523,640,789	69,565,005	157,967,041	8,647,929	2,677,685,023
Accumulated depreciation										
Opening balance	-	41,833,210	12,196,278	260,534,762	220,819,800	112,418,658	27,773,350	44,875,642	3,963,259	724,414,960
Depreciation provided in period	-	2,916,245	3,747,206	11,941,377	12,342,344	7,957,429	3,238,636	4,543,584	801,389	47,488,211
Depreciation on disposals	-	(888,349)	(2,173,678)	(234,026)	(771,147)	(1,064,900)	(369,028)	(256,821)	(682,850)	(6,440,798)
Revaluation adjustment to the ARR	-	(1,765,286)	-	23,756,860	-	-	971	43	-	21,992,588
Revaluation adjustment to ARR for disposals	-	-	-	(287,958)	(135,050)	(698,381)	(38,883)	(10,786)	-	(1,171,057)
Total impairment adjustment	-	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	(417,684)	-	-	-	-	-	-	(417,684)
Adjustment for prior years assets	-	210,979	20,287	(626,295)	2,036,540	9,258	17,265	(387,269)	-	1,280,766
Transfers between non-current asset classes	-	(320,758)	(10,883)	-	(72,780,889)	(1,841)	237	320,758	-	(72,793,376)
Accumulated depreciation at period end	-	41,986,041	13,361,527	295,084,720	161,511,599	118,620,224	30,622,549	49,085,152	4,081,798	714,353,609
Written down value at cost	-	-	15,429,232	-	-	-	-	-	4,566,131	19,995,362
Written down value at fair value at period end	297,764,939	78,752,456		723,488,737	290,485,008	405,020,565	38,942,456	108,881,889	-	1,943,336,049
Total written down value at 30 June 2008	297,764,939	78,752,456	15,429,232	723,488,737	290,485,008	405,020,565	38,942,456	108,881,889	4,566,131	1,963,331,412

19. (continued) Property, plant and equipment – prior year comparatives

	Land \$	Buildings \$	Plant and equipment \$	Road and stormwater drainage \$	Water \$	Wastewater \$	Parks \$	Waste and other infrastructure \$	Other assets \$	Total \$
Asset values										
Opening gross value at cost	5,285,874	2,688,774	26,592,167	-	10,582,654	18,604,953	1,923,279	977,613	8,197,668	74,852,982
Opening gross value at valuation	270,159,684	95,855,104		781,273,737	392,628,254	438,132,896	65,580,725	104,729,416	-	2,148,359,816
Additions at cost	7,943,569	2,499,371	6,042,520	12,248,242	1,595,071	10,631,156	4,111,418	2,864,729	777,623	48,713,699
Contributed assets at valuation	-	-	-	7,471,866	1,571,033	3,118,680	272,821	-	-	12,434,401
Land acquired in lieu of rates	748,144	-	-	-	-	-	-	-	-	748,144
Disposals	(92,154)	(157,470)	(4,895,429)	(1,008,746)	(651,325)	(2,086,116)	(3,734,609)	(651,519)	(599,166)	(13,876,533)
Revaluation adjustment to the ARR	6,625,118	7,421,768	-	129,793,897	222,126,119	49,378,698	(1,587,116)	48,595,158	-	462,353,642
Revaluation adjustment to the ARR for disposals	(32,802)	-	-	(131,011)	(33,845)	(24,376)	(205,144)	(64,305)	-	(491,483)
Assets classified as held for sale	-	-	(196,720)	-	-	-	-	-	-	(196,720)
Adjustment for prior years assets	-	943,500	5,093	(623,347)	(5,494,757)	2,574,028	(275,165)	(218,489)	-	(3,089,138)
Transfers between non-current asset classes		75,834		934,281	-	-		(1,010,115)		-
Closing gross value	290,637,433	109,326,881	27,547,631	929,958,919	622,323,204	520,329,919	66,086,209	155,222,487	8,376,125	2,729,808,809
Accumulated depreciation										
Opening balance	-	36,428,228	12,062,204	248,973,445	180,657,598	160,937,138	36,969,076	26,167,832	3,793,108	705,988,629
Depreciation provided in period	-	2,626,833	3,659,500	11,886,883	5,693,704	7,438,074	3,247,264	2,157,987	769,317	37,479,561
Depreciation on disposals	-	(131,432)	(3,452,886)	(294,991)	(468,295)	(1,051,298)	(1,858,608)	(79,441)	(599,166)	(7,936,116)
Revaluation adjustment to the ARR	-	2,674,960	-	(11,703)	41,400,204	(54,685,597)	(9,578,341)	17,133,344	-	(3,067,133)
Revaluation adjustment to the ARR for disposals	-	-	-	(62,037)	(182,059)	(551,330)	(1,042,639)	(49,962)	-	(1,888,027)
Total impairment adjustment	-	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	(72,540)	-	-	-	-	-	-	(72,540)
Adjustment for prior years assets	-	230,799	-	(383,242)	(6,281,351)	331,672	36,599	(23,890)	-	(6,089,414)
Transfers between non-current asset classes		3,823		426,406	-	-		(430,229)		-
Accumulated depreciation at period end	-	41,833,210	12,196,278	260,534,762	220,819,800	112,418,658	27,773,350	44,875,642	3,963,259	724,414,960
Written down value at cost	-	-	15,351,353	-	-	-	-	-	4,412,866	19,764,218
Written down value at fair value at period end	290,637,433	67,493,671		669,424,158	401,503,404	407,911,261	38,312,859	110,346,845	-	1,985,629,630
Total written down value at 30 June 2007	290,637,433	67,493,671	15,351,353	669,424,158	401,503,404	407,911,261	38,312,859	110,346,845	4,412,866	2,005,393,849

19. Property, plant and equipment (continued)

Property, plant and equipment valuations were determined by reference to the following:

(i) Land

All Council freehold land was valued at fair value as at 30 June 2008 by qualified external valuers, Rushton Assetval (registered valuers - since 1839).

(ii) Buildings

All buildings were valued at fair value as at 30 June 2008 by qualified external valuers, Rushton Assetval (registered valuers - since 1839).

(iii) Road and stormwater drainage infrastructure assets

Road assets were valued at fair value as at 30 June 2008 by qualified engineers of Redland City Council. The index used for this valuation was the ABS Construction (Road & Bridge) - Queensland specific index as published for the March 2008 Quarter. Stormwater drainage assets were also valued by qualified technical staff of Redland City Council. The index used for this revaluation was the ABS Engineering Construction Index as published for the June 2008 Quarter.

(iv) Water and wastewater infrastructure assets

Water and wastewater infrastructure assets were valued at fair value as at 30 June 2008 by qualified technical staff of Redland City Council. For the preparation of the 30 June 2008 financial statements and in accounting for the impending 1 July 2008 transfer of bulk water assets to state government ownership, Council was required to adjust the bulk water assets down to fair value as per the forthcoming compensation payment. These assets were written down based on the state government's compensation payment and were transferred from Property, Plant and Equipment to Current Assets Held for Transfer within the Balance Sheet for 30 June 2008.

(v) Parks infrastructure assets

Park infrastructure assets were valued at fair value as at 30 June 2008 by qualified technical staff of Redland City Council.

(vi) Waste and other infrastructure assets

These assets include bus sheds, carparks, bikeways, streetscapes, bridges, pedestrian underpasses, swimming pools, marine and jetty facilities, and seawalls. Other infrastructure assets were valued at fair value as at 30 June 2008 by qualified engineers of Redland City Council.

20. Capital work in progress	Note	2008 \$	2007 \$
Water		1,150,436	6,829,860
Wastewater		1,603,989	2,827,865
Roads		2,855,076	2,945,614
Parks		955,609	623,025
Other Infrastructure		3,141,048	8,635,325
		9,706,158	21,861,689

21. Intangible assets

Software

Opening gross carrying value		7,329,802	6,513,924
Closing gross carrying value		7,385,517	7,329,802
Accumulated amortisation			
Opening balance		(6,079,793)	(5,447,064)
Amortisation in the period		(588,818)	(818,369)
Written off amounts		500,728	185,639
Closing balance		(6,167,883)	(6,079,793)
Net carrying value at the period end		1,217,634	1,250,008

The software has a finite life estimated at 10 years. Straight line amortisation has been used with no residual value.

22. Trade and other payables

Current

Creditors and accruals		19,751,393	22,911,787
------------------------	--	-------------------	-------------------

23. Interest bearing loans and borrowings

	Note	2008 \$	2007 \$
Queensland Treasury Corporation			
Opening balance		132,705,031	121,859,692
Proceeds from borrowings		14,000,000	27,000,000
Principal repayments		(18,173,764)	(16,154,661)
Interest accrued		-	-
Book value at period end		128,531,266	132,705,031
Classified as:			
Current		87,278,546	18,022,093
Non-current		41,252,720	114,682,938
		128,531,266	132,705,031

The loan market value at the reporting date was \$123,837,939. This represents the value of the debt if Council repaid it at that date. Of note and in reference to Note 16(b), Council is expected to receive compensation on 1 July 2008 for the transfer of bulk water assets moving to state government ownership. These funds will be used to repay debt, as reflected above, the split between current and non-current loans reflects the forthcoming debt repayment to be made by Council to Queensland Treasury Corporation.

24. Employee benefits

(a) Current

Annual leave		4,480,016	4,856,800
Long service leave		876,146	669,023
		5,356,162	5,525,823

(b) Non-current

Long service leave		7,278,553	7,678,676
		7,278,553	7,678,676

Employee benefit entitlements are calculated at current pay levels as adjusted for inflation and likely future changes in salary level. These estimates are then adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value.

25. Provisions

	Note	2008 \$	2007 \$
(a) Current			
Quarry rehabilitation		31,616	-
Landfill rehabilitation		1,936,695	1,385,348
		1,968,311	1,385,348
Provision for concrete recycling		75,000	-
Total current provisions		2,043,311	1,385,348
(b) Non-current			
Quarry rehabilitation		764,662	144,336
Landfill rehabilitation		19,372,726	18,692,160
		20,137,388	18,836,496

Details of movements in provisions:

(a) Quarry rehabilitation

Opening balance		144,336	144,336
Increase in provision – borrowing cost		9,209	-
Increase (decrease) in provision due to change in discount rate and costs		642,733	-
Balance at the end of period		796,278	144,336

This is the present value of the estimated cost of restoring the quarry site to a usable state at the end of its useful life.

(b) Landfill rehabilitation

Opening balance		20,077,508	12,444,830
Increase in provision – borrowing cost		1,280,945	729,267
Increase (decrease) in provision due to change in discount rate and costs		(49,032)	6,903,411
Balance at the end of period		21,309,421	20,077,508

This is the present value of the estimated cost of restoring approximately 25 closed landfill sites and currently operating Birkdale landfill to a usable state at the end of its useful life.

26. Other liabilities

Unearned revenue		7,332,467	7,502,373
-------------------------	--	------------------	------------------

Unearned revenue includes

- building and development application money received for which Council has not processed or finalised at 30 June 2008 - \$1.29 million
- grants received in advance of Council extinguishing its obligations imposed under the grant. As at 30 June 2008 Council had \$4.04 million to recognise in the future for the widening of Rickertt and Quarry roads.

27. Asset revaluation reserve

Note	2008 \$	2007 \$
------	------------	------------

Movements in asset revaluation reserve were as follows:

Balance at beginning of year		1,087,271,876	620,454,559
Net adjustment to capital non-current assets at end of period to reflect a change in current fair value:			
Land		14,461,586	6,592,316
Buildings		3,808,334	4,746,808
Parks		(84,384)	8,828,720
Roadworks		28,975,216	40,025,136
Wastewater		(375,420)	104,591,249
Water		(82,142)	180,874,129
Other infrastructure assets		(40,579)	29,349,800
Stormwater drainage		15,295,053	89,711,490
Waste		-	2,097,670
Impairment			
Impairment losses on revalued assets		(41,144,650)	-
		20,813,014	466,817,317
Balance at end of year		1,108,084,890	1,087,271,876

Asset revaluation reserve analysis:

The closing balance of the asset revaluation reserve is comprised of the following asset categories.

Land		161,684,019	147,222,433
Buildings		32,712,022	28,903,688
Parks		28,371,894	28,456,278
Roadworks		223,013,734	194,038,518
Wastewater		256,304,707	256,680,127
Water		263,386,350	263,468,493
Other infrastructure assets		58,797,386	58,837,965
Stormwater drainage		122,616,100	107,321,047
Waste		2,343,328	2,343,328
Impairment losses on revalued assets		(41,144,650)	-
Balance at end of year		1,108,084,890	1,087,271,876

The amount shown above for impairment losses on revalued assets is associated with the adjustments made in relation to the bulk water assets transferring to state government ownership on 1 July 2008. This impairment adjustment was required in order to reflect the assets at fair value as per the forthcoming transfer notice and compensation payment to be made by the state government. This loss is attributable to land \$4,150,677 and water infrastructure \$39,993,972 assets.

28. Other reserves

Note	2008 \$	2007 \$
------	------------	------------

(a) Reserves Held for Future Expenditure:

(i) Constrained Works Reserve		13,297,615	6,349,888
(ii) Special Projects Reserve		10,738,277	10,437,331
(iii) Special Capital Projects Reserve		508,105	-
(iv) Environment Reserve		6,285,832	7,444,412
(v) Special Separate Charges Reserve		11,019	364,964
(vi) Canal Maintenance Reserve		3,256,686	2,255,898
(vii) Constrained Recurrent Reserve		-	45,455
		34,097,535	26,897,948

(b) Movements in reserves are analysed as follows:

(i) Constrained Works Reserve			
Balance at beginning of year		6,349,888	15,261,797
Transfers from the retained earnings for future expenditure		11,672,030	9,651,107
Transfers to retained surplus, funds expended in the year		(4,724,303)	(18,563,016)
Balance at end of year		13,297,615	6,349,888
(ii) Special Projects Reserve			
Balance at beginning of year		10,437,331	8,471,734
Transfers from the retained earnings for future expenditure		1,393,082	2,606,846
Transfers to retained surplus, funds expended in the year		(1,092,136)	(641,249)
Balance at end of year		10,738,277	10,437,331
(iii) Special Capital Projects Reserve			
Balance at beginning of year		-	-
Transfers from the retained earnings for future expenditure		860,000	-

28. Other reserves (continued)

	Note	2008 \$	2007 \$
Transfers to retained surplus, funds expended in the year		(351,895)	-
Balance at end of year		508,105	-
(iv) Environment Reserve			
Balance at beginning of year		7,444,412	6,255,262
Transfers from the retained earnings for future expenditure		5,664,118	5,070,516
Transfers to retained surplus, funds expended in the year		(6,822,698)	(3,881,366)
Balance at end of year		6,285,832	7,444,412
(v) Special Separate Charge Reserve			
Balance at beginning of year		364,964	484,938
Transfers from the retained earnings for future expenditure		207,168	198,634
Transfers to retained surplus, funds expended in the year		(561,112)	(318,608)
Balance at end of year		11,019	364,964
(vi) Canal Maintenance Reserve			
Balance at beginning of year		2,255,898	2,227,336
Transfers from the retained earnings for future expenditure		1,949,988	1,348,696
Transfers to retained surplus, funds expended in the year		(949,200)	(1,320,134)
Balance at end of year		3,256,686	2,255,898
(vii) Constrained Recurrent Reserve			
Balance at beginning of year		45,455	391,928
Transfers from the retained earnings for future expenditure		-	-
Transfers to retained surplus, funds expended in the year		(45,455)	(346,474)
Balance at end of year		-	45,455

29. Commitments

	Note	2008 \$	2007 \$
(a) Operating leases			
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:			
Within 1 year		74,794	366,817
1 to 5 years		-	74,794
Later than 5 years		-	-
		74,794	441,611
(b) Contractual commitments			
Contractual commitments at reporting date but not recognised in the Financial Statements are as follows:			
Roadworks		14,144	129,595
Waste		12,091,635	1,262,814
Water and wastewater		246,947	867,827
Other		3,602,647	6,837,481
		15,955,373	9,097,717
(c) Capital commitments			
Commitments for the construction of the following assets contracted for at year end but not recognised as liabilities:			
Roadworks		287,342	3,117,145
Waste		61,567	440,981
Water and wastewater		209,934	5,037,199
Other		5,428,212	11,334,973
		5,987,055	19,930,298
These expenditures are payable:			
Within 1 year		5,987,055	19,930,298
1 to 5 years		-	-
Later than 5 years		-	-
		5,987,055	19,930,298

In addition to the above, Council has a perpetual commitment to the Queensland Water Commission for the supply of bulk water. Based on present day dollars, this expenditure has been forecast at approximately \$6.6 million per year.

30. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are:

(a) WorkCover self-insurer liability

The estimated claims liability for the Council as a self-insurer under the Workers Compensation and Rehabilitation Act 2003 ('the Act') as at 30 June 2008 is \$858,000, where estimated claims liability as defined in Section 84 of the Act is \$5,000,000. This has been guaranteed by the ANZ Banking Group Ltd.

(b) Other claims

Council has reviewed outstanding insurance claims and has identified no material exposures.

31. Superannuation

The Redland City Council contributes to the Local Government Superannuation Scheme (the scheme). The scheme has both defined benefits and accumulation arrangements, provided for in accordance with statutory requirements.

Both of these schemes are defined contribution schemes as defined in the Australian Accounting Standard AASB119 Employee Benefits. Council has no liability to or interest in the scheme other than the payment of the statutory contributions. Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2006 (the most recent available) which were not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet accrued benefits.

The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at 30 June 2006. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.

The Queensland Local Government Superannuation Board, the trustee of the scheme advised that the local government scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation

	Note	2008 \$	2007 \$
Industry (Supervision) legislation.			
The amount of superannuation contributions paid by Redland City Council to the superannuation scheme during the reporting period for the benefit of employees was :		\$5,522,644	\$5,422,490
The amount of superannuation contributions paid by Redland City Council to the superannuation scheme during the reporting period for the benefit of councillors was :		\$116,365	\$98,987

32. Trust funds

Monies collected or held on behalf of another entity, yet to be paid out to or on behalf of that entity:		\$7,390,484	\$5,244,734
--	--	-------------	-------------

The Redland City Council performs only a custodial role in respect of these monies and because the monies cannot be used by the Council, they are not brought to account in these Financial Statements.

33. Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

	Note	2008 \$	2007 \$
Result from ordinary activities		13,441,451	2,690,911
Non-cash operating items:			
Depreciation and amortisation	10	48,077,028	38,297,930
Non-cash contributions	5	(13,051,593)	(12,434,401)
Provision for doubtful debts		(17,091)	(110,064)
Land acquired in lieu of rates		(229,439)	(748,144)
Loss on impairment of property, plant and equipment		-	-
Loss on impairment of assets classified as held for sale		18,805	1,847
Net adjustment for prior years assets		(8,180,259)	(3,000,276)
Fair value adjustment - investment property		(15,600)	-
		26,601,852	22,006,892
Investing and development activities:			
Net (profit) loss on disposal of non-current assets	11	1,430,336	4,001,692
		1,430,336	4,001,692
Changes in operating assets and liabilities:			
(Increase) decrease in rates and utility charges receivable		118,706	(130,390)
(Increase) decrease in other receivables		(4,580,298)	(1,559,155)
(Increase) decrease in land held for resale		-	-
Increase (decrease) in other current assets		(353,831)	508,992
Impairment loss on assets held for transfer		233,117	-
Increase (decrease) in creditors		(3,160,393)	7,051,064
Increase (decrease) in provisions		1,389,071	7,774,908
Increase (decrease) in other liabilities		(169,906)	4,943,140
		(6,523,535)	18,588,559
Net cash inflow from operating activities		34,950,104	47,288,054

34. Financial instruments and risk management

Redland City Council is exposed to various financial risks including credit risk, interest rate risk and liquidity risk. Overall Council manages financial risk with the aim of minimising potential adverse impacts on the performance of the Council.

Risk exposure has been assessed using the following methods:

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Interest rate risk	Sensitivity analysis

Council does not hold funds in foreign currency and so does not have exposure to currency risk

(a) Credit risk exposure

Credit risk is the risk that Council may incur financial loss as a result of another party failing to discharge their obligation to Council.

With regard to rates receivable, Council has the power to sell the property to recover any defaulted amounts. This power essentially protects Council from any risk exposure in this area.

The Council holds investments with Queensland Treasury Corporation (QTC). Funds are held in a managed portfolio that invests in a wide range of high rating counterparties. Deposits are capital guaranteed and therefore present no credit risk exposure to Council.

The total credit risk exposure on financial assets is generally the carrying amount, net of provision for doubtful debts which is represented in the fair values table below (refer note 34 (d)). The Council has no major concentration of credit risk to any single debtor or group of debtors however, due to the nature of Council's operations there is a geographical concentration of risk in the Council's area. No collateral is held as security relating to the financial assets of Council.

Past due or impaired

No financial assets have been renegotiated to prevent them from being past due or impaired and are stated at their carrying value. The following table represents and analysis of the aging of Council's financial assets that are either fully performing, past due or impaired.

Aging analysis	Fully Performing	Past Due			Impaired	Total
		<30 days	30-60 days	61-90 days		
Receivables	8,842	323	555	5,968		15,688

As the aging analysis is a new reporting requirement, comparative figures are not available.

(b) Liquidity risk

Liquidity risk is the risk that Council will not be able to meet its financial liabilities as they fall due. Council is exposed to liquidity risk through the normal course of operations and a result of borrowings from QTC for capital works.

The Council reviews liquidity risk indicators regularly and maintains sufficient cash on demand to meet operating and financing obligations for between 90 and 120 days, excluding the impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters. Council can recall funds invested with QTC within a working day to cover unexpected volatility in cash flows.

The following table represents the liquidity risk of the financial liabilities held by Council. The amounts in the maturity analysis represent the contractual undiscounted cash flows at balance date.

Maturity analysis - financial liabilities	Total		Current		1-5 years		> 5 years	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Payables	19,751	22,912	19,751	22,912	18,359	18,539		
Loans to QTC	147,702	182,775	86,008	25,632	19,076	63,311	42,618	93,832

(c) Interest rate risk

Council is exposed to interest rate risk through borrowings and investments with QTC. The risk in borrowings is managed by borrowing through QTC and therefore having access to a mix of funding sources. The investments Council has made through QTC are capital assured and so there is no risk exposure to capital invested.

Council does not enter into any hedging of interest rate risk.

Interest rate sensitivity analysis

The following sensitivity analysis depicts the outcome to profit and loss should there be a 1% increase in the market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of the year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

Sensitivity analysis	Net carrying amount		Profit		Equity	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Financial assets	772	809	772	809	772	809
Financial liabilities	4	49	4	49	4	49

*Due to the compensation payment made by state government to Council for the transfer of bulk water assets, all floating debt was paid out on 1 July 2008. Therefore Council has no risk exposure for these liabilities at reporting date.

(d) Net fair value of financial assets and liabilities

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities of the Council approximates their carrying amounts.

Financial Instruments	Note	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
		2008 \$000	2007 \$000	2008 \$000	2007 \$000	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Financial assets									
Cash assets	13	71,043	77,070	-	-	-	-	71,043	77,070
Receivables	14	-	-	6,599	6,718	9,089	4,433	15,688	11,151
Prepayments	17	-	-	-	-	1,031	686	1,031	686
		71,043	77,070	6,599	6,718	10,120	5,119	87,762	88,907
Effective interest rate		8.19%	6.64%	11.00%	11.00%	-	-	-	-
Financial liabilities									
Payables	22	-	-	-	-	19,751	22,911	19,751	22,911
Loans - QTC *	23	-	-	123,938	129,369	-	-	123,938	129,369
		-	-	123,938	129,369	19,751	22,911	143,689	152,280
Weighted average interest rate		-	-	6.28%	6.19%	-	-	-	-
Net financial assets		71,043	77,070	(117,339)	(122,651)	(9,631)	(17,792)	(55,927)	(63,373)

* QTC - denotes Queensland Treasury Corporation

35. National Competition Policy

(a) Activities to which the code of competitive is applied

A "business activity" of a local government is divided into two categories:

(a) Roads business activity:

- (i) the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
- (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

(b) Other business activity, referred to as type three activities, means the following:

- (i) trading in goods and services to clients in competition with the private sector, or
- (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to its self. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Council, and represents an activity's cost(s) which would not be incurred if the activity's primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council.

Water and wastewater

Waste management

Caravan parks

School Aged Care

(b) Financial performance of activities subject to competition reforms:

	Water & wastewater 2008 \$	Waste management 2008 \$	Caravan parks 2008 \$	School Aged Care 2008 \$
Revenue for services provided to the Council	955,767	1,056,636	-	-
Revenue for services provided to external clients	58,814,471	13,451,037	2,062,966	2,915,043
Community service obligations	254,997	1,080,718	-	-
	60,025,235	15,588,391	2,062,966	2,915,043
Less : Expenditure	59,008,021	11,401,527	2,277,276	2,830,625
Surplus (deficiency)	1,017,214	4,186,864	(214,310)	84,418

(c) Description of CSO's provided to business activities:

Activities	CSO description	Actual \$
Water and wastewater	Water not for profit	120,646
Water and wastewater	Wastewater not for profit	134,351
Waste Management	Clean up Australia day	5,890
Waste Management	Sanitary landfill	1,074,828

Redland City Council

ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2008


MANAGEMENT CERTIFICATE

For the year ended 30 June 2008

This general purpose financial report has been prepared pursuant to Section 532 of the Local Government Act 1993, the Local Government Finance Standard 2005 (the Standard) and other prescribed requirements.

In accordance with Section 48 of the Standard we certify that:-

- (i) the local government considers the relevant recording and reporting procedures have been complied with in the preparation of the financial statements; and
- (ii) the financial statements for the year ended 30 June 2008 and supporting notes present the Council's income, equity, balance sheet and cash flows as required by the *Local Government Act 1993*.



Mayor

Date: 28/10/08.



Chief Executive Officer

Date: 28/10/08

Independent Audit Report

To the Mayor of Redland City Council

Report on the Financial Report

I have audited the accompanying financial report of Redland City Council, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies other explanatory notes and certificates given by the Mayor and Chief Executive officer.

The Council's responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the Local Government Act 1993 and Local Government Finance Standard 2005 including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The Financial Administration and Audit Act 1977 promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's opinion

In accordance with the Local Government Act 1993 I have audited the Council's financial report, and

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion
 - (i) the prescribed requirements in respect of the recording and reporting procedures required for the preparation of this financial report have been complied with in all material respects; and
 - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the Redland City Council for the financial year 1 July 2007 to 30 June 2008 and of the financial position as at the end of that year.

J B Richards

Queensland Audit Office, Brisbane
Delegate of the Auditor-General of Queensland
28 October 2008

Appendix A

Councillors' entitlements (as of 1 August 2007)

Scope

To clarify resource entitlements provided to assist Councillors to effectively perform their role as elected representatives of the community.

The Councillors' remuneration has been approved by resolution of Council under section 237 of the Local Government Act 1993 (LG Act).

All benefits, entitlements, reimbursements and allocations provided to individual Councillors will be detailed in the Council's annual report.

Purpose

The guideline has been designed as an informational and operational document and provides detail of:

- a. What benefits and services are provided and for what purpose; and
- b. An overview of how the benefits and services are administered.

Definitions

The guideline makes use of several key words to describe certain benefits:

- a. Salary/allowances are payments of financial value to a Councillor based on a resolution of Council.
- b. Reimbursements are payments of financial value to a Councillor for actual expenses incurred e.g. local transport expenditure.
- c. Entitlement is a non-financial benefit provided to a Councillor e.g.: the use of a Council vehicle and mobile telephone.
- d. An Allocation is an amount, which a Councillor may draw upon until the amount is extinguished, e.g. conference expenditure.

Actions and responsibilities

1. Base salary, superannuation, electoral allowance, telephone allowance and vehicle entitlement.

Entitlements outlined in this section have been approved by resolution of Council under section 237 of the Local Government Act.

- 1.1 Base salary to be considered as a relationship between the level of salary paid to a Queensland Member of Parliament (MP) and that of a Councillor as follows:

- a. Mayor: 100% of the base salary of a MP
 - b. Deputy Mayor 70% of the base salary of a MP
 - c. Councillors 60% of the base salary of a M.
 - d. Any future movements in salary are subject in accordance with movements in the salary paid to a Member of Parliament and is paid on a fortnightly basis.
 - e. However, salary changes cannot be implemented, until these changes have been gazetted.
- 1.2 Superannuation is provided to each Councillor on the basis that:
 - a. Council will contribute 12% of the base salary and Councillors will contribute 6%, and that this entitlement will remain linked to any base rate change affecting general Council staff; or
 - b. Not taking superannuation and having paid as salary an extra 12% of their base salary in lieu of superannuation payment.
 - c. Councillors will be eligible to salary sacrifice superannuation in accordance with S238A of the LG Act.
 - 1.3 Electorate allowance is made available to meet the additional expenses reasonably and necessarily incurred in fulfilling obligations associated with the office to which the Mayor and Councillors have been appointed as follows:
 - a. Mayor: \$12,000 per annum
 - b. Deputy Mayor: \$2,750 per annum
 - c. Councillors: \$1,650 per annum
 - d. The allowance is paid fortnightly with salary, is subjected to PAYG taxation, but is not taken into account for superannuation purposes.
 - e. This allowance can be expended at the discretion of the Councillor.
 - 1.4 Motor vehicle entitlement will be provided to the Mayor and Councillors with a choice of the following two options:
 - an allowance of \$12,000.00 per annum paid as part of normal salary. This allowance will represent the total amount payable for all motor vehicle entitlements with no further costs to be incurred by Council. Election of this option by a Councillor will be for the full term of Council or
 - a motor vehicle issued in accordance with the following:
 - a. Mayor: A level 3 vehicle according to Council's Passenger Vehicle Policy.
 - b. Deputy Mayor: A level 2 vehicle according to Council's Passenger Vehicle Policy.
 - c. Councillors: A level 2 vehicle according to Council's Passenger Vehicle Policy.
 - d. The total value of this entitlement shall not exceed the direct cost of acquiring, leasing and maintaining the approved type of vehicle. The Chief Executive Officer may approve an alternative vehicle to the approved type, based on varying the vehicle selection criteria contained within the Passenger Vehicle Policy, where the total value of the entitlement is not exceeded. Should a vehicle of a lesser value be requested and approved, no monetary compensation will be paid for the balance of any entitlement.
 - e. The Mayor and Councillors may request for a vehicle type of greater value than the approved type of vehicle, however, the additional cost to Council will be by payroll deducted on a fortnightly basis over the life of the vehicle.
 - f. Maintenance of vehicles, including all costs of normal servicing and minor repairs will be met by Council, subject to the following conditions:
 - i) Fuel costs associated with up to 28,000 kilometres per year will be paid for by Council.
 - ii) All fuel costs incurred for travel in excess of 28,000 kilometres per year will be paid for by the individual Councillor, recouped as a payroll deduction.
 - iii) In addition to the above, Councillors will be required to pay for fuel for "private purpose" trips outside the Shire at the rate of \$12.00 per 100 kilometres traveled for a 6 cylinder vehicle or \$8.00 per 100 kilometres traveled for a 4 cylinder vehicle. BP cards are to be used for all fuel purchases and payroll deductions will be made based on the Councillors' Monthly declaration of private usage, on the prescribed form.
 - iv) Councillors are required to maintain their vehicles in appropriate good order and a maximum of 6 car washes per annum may be used.

- g. Allocated vehicles are for the purposes of carrying out official Council business and accordingly should be available for the Councillor's use. Private use of the vehicle is allowed but the vehicle must not be used for any other commercial business purpose.
 - h. Councillors may nominate two alternate drivers of their Council vehicle. Any other driver may only be used in circumstances where the Councillor is present in the vehicle.
- 1.5 A telephone allowance will be provided to the Mayor and Councillors and will consist of an office telephone to conduct their electoral and council business and in addition:
- a. The Mayor and Deputy Mayor are provided with a fully maintained mobile phone for both private and public use.
 - b. All Councillors (including Mayor and Deputy Mayor) are provided a telephone allowance to cover the cost of certain home telephone expenses to help defray the total cost of telephone expenses reasonably and necessarily incurred in servicing their division or the Shire as a whole.
 - c. Value of allowance will be determined by resolution of Council under section 237 of the Local Government Act.
 - d. The Councillors' telephone allowance is paid fortnightly with their salary, is subjected to PAYG taxation, but is not taken into account for superannuation purposes.
- 2 Additional Councillors' entitlements
- Entitlements that have been outlined in this section will be provided subject to approval through Council's budget process.
- 2.1 Functional office accommodation will be provided and related "tools of trade" equipment within the Council Administration building which will include an area for informal meetings.
- 2.2 Meals and beverages will be provided for Councillors whilst in Council for meetings or other business.
- 2.3 Council jackets, ties, badges will be provided to each newly elected Councillor with a jacket bearing the Council Crest. This jacket may be replaced on a fair wear and tear basis.
- a. Councillors will be provided with badges bearing their names, as well as Council ties for the men, upon request. Badges will be replaced when required.
 - b. All orders are to be made through the Executive Secretary to the Mayor.
- 2.4 Stationery items will be provided to conduct Council business.
- 2.5 A photocopier will be provided in the Councillors' area for incidental usage.
- 2.6 Four newsletters per year, at the request of the divisional Councillors, may be produced on the Council's corporate stationery and distributed within the appropriate electorate, but none will be allowed within 3 months of an election.
- 2.7 Postage allocation will be provided for all Councillors to respond to or administer correspondence in order to carry out their electorate responsibilities and no limit is placed on this postage. However, bulk mailouts to residents will be generally limited to 100 residents at any one time on any individual issue. Mailouts in excess of 100 should be paid for by the Councillor from their electoral allowance allocation.
- 2.8 Travel reimbursements can be claimed for actual travel costs incurred in the conduct of electoral duties under section 239 (2) of the Local Government Act. These include:
- a. Taxi fares to meetings outside Council offices where the use of the Council vehicle is not desirable,
 - b. Parking fees/toll road fees,
 - c. Ferry/barge charges,
 - d. Bus or rail travel.
 - e. This allocation may not be used to meet expenses associated with a Councillor's private vehicle or for conference expenses.
 - f. Councillors will need to contact the administrative support staff in order to carry out the necessary administrative arrangements.
- 2.9 Insurance will be provided for personal accident indemnity cover on a twenty-four hour basis.
- 2.10 Home Internet access A monthly allowance is paid with Councillors' salaries following receipt by HR of a copy of their Internet Account. Allowance is \$25.00 per month.
3. Conference Reserve Allocation
- 3.1 The Mayor and Councillors can elect to attend conferences, seminars and training sessions, which will enhance knowledge about the role and function of local government.
- 3.2 The conference reserve allocation is to be established for the full four-year duration of the Council's term of office, from the Declaration of Polls for one term to the Declaration of Polls of the next Council. The fund will be administered by the Mayor's Executive Secretary.
- 3.3 The value of the Conference Reserve Allocation is subject to approval through Council's annual budget process.
- 3.4 When the individual Councillor approved allocation has been exhausted, the Councillor is personally liable for all such costs incurred.
- 3.5 Conference Allocation conditions of use:
- a. All funds not expended in the first year will be retained and "rolled over" at budget time to be added to the allocation established in the next budget, and so on for the following year, enabling Council to utilise their allocation at a later date if necessary.
 - b. If entering Council during a four-year term, a Councillor may "borrow" against the amount still in the fund from the previous Councillor, if there is an amount remaining, but this will be considered as part of the four-year allocation.
 - c. When there are no funds available until the following budget, a Councillor may bear the cost of an approved Conference and obtain a refund the following financial year if and when Council approves the next allocation.
- 3.6 Overseas travel
- a. Overseas travel is permitted for conferences, seminars and training sessions relevant to the role and function of Council, at locations outside Australia.
 - b. All overseas travel and the extent of Council funding allocation must be approved by a resolution of Council.
 - c. The Mayor's Executive Secretary must be provided with all necessary information to prepare the report to Council.
 - d. The cost of the overseas travel will be met from the Councillor's conference reserve allocation.
- 3.7 Spouse/partner Travel
- a. A spouse/partner may accompany a Councillor to a conference, in recognition of the time and effort spent by the immediate family in assisting the Councillor in his/her duties.
 - b. A spouse/partner may accompany the Councillor to a maximum of four conferences during the four-year term of the Councillor.
 - c. The cost of the spouse's/partner's travel, shared accommodation, and official "Partner's program" shall be provided out of the individual Councillor's entitlement.

- d. The cost of the spouse/partner travel may be met from the individual Councillor's conference reserve entitlement.

3.8 Airlines travel club schemes and frequent flyer schemes

- a. A Councillor may not use benefits, which may accrue as a result of publicly funded travel, that is, travel to attend conferences.

3.9 Allowable conference expenses

- a. Conference registration fees (booked through Councillors' office).
- b. Domestic economy class commercial air travel if applicable.
- c. Reasonable claims may be made for expenses incurred as a result of overnight absence for the following items:
 - i. accommodation
 - ii. meals and beverages not already covered in the conference fees
 - iii. telephone calls
 - iv. dry cleaning
 - v. taxi costs associated with travelling between residence-conference/airport
 - vi. incidentals.
- d. The costs of pre- and post-conference programs, tours or activities must be met personally by individual Councillors.

Note: As a benchmark the State Members' daily travel allowances will be used to determine the extent of the claim.

3.10 Administrative arrangements

- a. Any claims/invoices should be directed to the Mayor's Executive Secretary or Councillors' Administrative Support Staff.
- b. Payment of claims/invoices for the cost of travel is to be met from the reserve fund and must be accompanied by:
 - i. a receipt and written explanation of all claims for reimbursement of expenditure
 - ii. the Payment Request Form which has been completed and signed by the appropriate Councillor.
- c. The Payment Request Form should also be signed by the Mayor's Executive Secretary. Receipts will be approved by the Mayor's Executive Secretary.
- d. Any claims over \$2,000 will need either the Mayor's or CEO's approval.

- e. Councillors must remember that they should be accountable to the community for all spending. Hence all private and non-essential expenses must be borne by the Councillor.
- f. Please note: Any unavoidable additional expenses incurred while attending conferences or seminars should be accompanied by supporting documentation and be approved by the Mayor and the CEO.

3.11 Reports on conferences

- a. Upon return from a conference, at least one Councillor present must make a written or verbal report to Council on the benefit to Council and the community of the conference.
- b. Verbal reports must be given at a General Meeting within a month of returning.
- c. Conference papers should be made available to Councillors in the Councillors' Lounge.

4. Administrative Support Allocation

- 4.1 A secretarial pool, under the management of the Executive Secretary to the Mayor, is employed by Council to provide administrative support to all Councillors. This pool comprises the Executive Secretary and 2 full-time staff employed to provide administrative support to the Mayor, Deputy Mayor and 2 full-time staff to provide administrative support to the Councillors. A further sixth permanent person providing reception to the Mayor's, Councillors' and CEO's office and administration back up to the pool.
- 4.2 The responsibilities of this Secretarial Pool are:-
 - a. Ensuring Councillors' action requests are recorded appropriately, forwarded to the Group or unit concerned, and followed up.
 - b. Typing all correspondence regarding direct Council matters (i.e. the subject matter should be one previously considered, under consideration or proposed to be considered by Council, including the provision of Council information). This does not include correspondence, either individual or bulk mail outs, which could be considered of a political nature.
 - c. Ensuring that all Councillors' appointments are recorded in a diary and that each Councillor is aware of any appointment he/she may have. A weekly running sheet will be provided to each Councillor showing appointments for the next week.
 - d. Process all invitations.

- e. Take telephone messages for Councillors and relay to Councillors in a timely manner. The Councillors' support staff will use their discretion in determining if a follow through of the enquiry is required, for example, in the case of urgent matters where the Councillor is not contactable.
- f. Booking of conferences and making travel arrangements for all Council related seminars/ conferences.
- g. Note: Use of human resources or office resources for the purpose of correspondence or publications unrelated to constituency matters is not acceptable.

5. Salary sacrificing

Councillors will be eligible to salary sacrifice items other than superannuation in accordance with relevant Council guidelines as adopted from time to time.

Reference documents

This guideline has been prepared to support the remuneration resolution passed by Council under section 237 of the Local Government Act. In addition the guideline provides support for the Councillors' Code of Conduct.

Associated documents

Communications between Councillors and Employees GL-248-001

Employees Code of Conduct

Local Government Act 1993 and Regulations

Document control

This document cannot be modified, amended or altered in any way without the authorisation of the Chief Executive Officer who will ensure that the changes are made in accordance with the Local Government Act. Any request to change this document must be submitted in writing to the Chief Executive Officer.

Appendix B

Transitional Expenses Reimbursement Policy for Local Government Councillors (as of 1 April 2008)

Commencement

The transitional expenses reimbursement policy (the transitional policy) will take effect from the conclusion of the election following the 15 March 2008 quadrennial local government election.

Background

Under section 1296 of the Local Government Act 1993 (the Act), the Chief Executive of the Department of Local Government, Sport and Recreation (the Department) may make a transitional expenses reimbursement policy.

The transitional policy meets the requirements of the 'Guidelines for Councils – Reimbursement of Expenses and Provision of Facilities for Mayors and Councillors, version 3' ('the guidelines') issued by the Chief Executive of the Department.

The transitional policy will apply to all local governments (with the exception of Brisbane City Council) until a local government develops and adopts its own expenses reimbursement policy as set out in the guidelines.

Purpose

The purpose of the transitional policy is to ensure that councillors (including mayors) can receive reimbursement of reasonable expenses and be provided with necessary facilities in performance of their role. The transitional policy applies from the declaration of the polls until the day a local government formally adopts its own expenses reimbursement policy.

Definition

'**conclusion of the local government election**' is the day on which the last declaration of a poll conducted in the election is displayed in the local government's public office as required by the Act.

'**transition period**', for a local government, for the purposes of this transitional expenses reimbursement policy, is the period from the declaration of the polls of the 2008 quadrennial local government election for the local government until the day it adopts an expenses reimbursement policy as provided for under section 250AS of the Act.

Scope of the transitional policy

The transitional policy will apply to all local governments (with the exception of Brisbane City Council) until a local government:

- develops its own expenses reimbursement policy in line with the guidelines
- submits and receives approval of its policy from the Chief Executive of the Department and
- adopts the approved expenses reimbursement policy.

Alternatively the transitional policy may be adopted by the local government as the ongoing policy of their council.

Statement of Principles

The transitional policy complies with the Statement of Principles, set out in the guidelines:

- Reasonable expenses reimbursement to councillors
- Public accountability and transparency
- Public perceptions and community expectations
- No private benefit to be derived
- Equity and participation

Payment of expenses

Expenses will be paid to a councillor through administrative processes approved by a council's Chief Executive Officer subject to:

- the limits outlined in this policy and
- council endorsement by resolution.

Expense Categories

Professional development

A local government will reimburse expenses incurred for:

- mandatory professional development and
- discretionary professional development deemed essential for the councillor's role.

Travel as required to represent council

A local government may reimburse local and in some cases interstate and overseas travel expenses (e.g. flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of council where:

- a councillor is an official representative of council and
- the activity/event and travel have been endorsed by resolution of council.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport.

Council will pay for reasonable expenses incurred for overnight accommodation when a councillor is required to stay outside the local government's region.

NOTE: Any fines incurred while travelling in council-owned vehicles or privately owned vehicles when attending to council business, will be the responsibility of the councillor incurring the fine.

Travel bookings

All councillor travel approved by council will be booked and paid for by council.

Economy class is to be used where possible although council may approve business class in certain circumstances.

Airline tickets are not transferable and can only be procured for the councillor's travel on council business. They cannot be used to offset other unapproved expenses. (e.g. cost of partner or spouse accompanying the councillor.)

Travel transfer costs

Any travel transfer expenses associated with councillors travelling for council approved business will be reimbursed.

Example: Trains, taxis, buses and ferry fares

Cab charge vouchers may also be used if approved by council where councillors are required to undertake duties relating to the business of council.

Private vehicle usage

Councillors private vehicle usage may be reimbursed by council if the:

- travel has been endorsed by council resolution
- claim for mileage is substantiated with log book details and
- total travel claim does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

Accommodation

All councillor accommodation for council business will be booked and paid for by council. Council will pay for the most economical deal available. Where possible, the minimum standards for councillors' accommodation should be three or four star rating.

Where particular accommodation is recommended by conference organisers, council will take advantage of the package deal that is the most economical and convenient to the event.

Meals

A local government will reimburse costs of meals for a councillor when:

- the councillor incurs the cost personally and
- the meal was not provided:
 - within the registration costs of the approved activity/event
 - during an approved flight.

The following limits apply to the amount councils will reimburse for meals:

- Breakfast \$19.60
- Lunch \$20.05
- Dinner \$34.55

No alcohol will be paid for by council.

- Incidental allowance

Up to \$20 per day may be paid by a local government to cover any incidental costs incurred by councillors required to travel, and who are away from home overnight, for official council business.

Additional expenses for Mayor

Hospitality

Local governments may reimburse mayors up to \$1,000 per annum for hospitality expenses deemed necessary in the conduct of council business.

Provision of facilities

All facilities provided to councillors remain the property of council and must be returned to council when a councillor's term expires.

Private use of council owned facilities

Based on the principle that no private benefit is to be gained the facilities provided to councillors by local governments are to be used only for council business unless prior approval has been granted by resolution of council.

The council resolution authorising private use of council owned facilities will set out the terms under which the councillor will reimburse council for the percentage of private use.

This would apply when councillors have private use of council owned motor vehicles and/or mobile telecommunication devices.

Facilities categories

Administrative tools

Administrative tools should be provided to councillors as required to assist councillors in their role.

Administrative tools include:

- office space and meeting rooms
- computers
- stationery
- access to photocopiers
- printers
- facsimile machines
- publications
- use of council landline telephones and internet access in council offices.

Secretarial support may also be provided for mayors and councillors.

Council may provide a councillor with home office equipment including computer, internet access if necessary.

Maintenance costs of council owned equipment

Council will be responsible for the ongoing maintenance and reasonable wear and tear costs of council-owned equipment that is supplied to councillors for official business use.

This includes the replacement of any facilities which fall under council's asset replacement program.

Name Badge

Safety equipment for councillors

A local government may provide councillors with:

- a name badge
- the necessary safety equipment for use on official business. e.g. safety helmet /boots.

Use of council vehicles on council business

Councillors may have access to a council vehicle for official business.

Private use of vehicles

Private use of council owned vehicles is permitted if prior approval has been granted by resolution of council. Council will, in its resolution authorise private use, set out the terms for the councillor to reimburse council for the private use.

Telecommunication

needs - mobile devices

Mobile telecommunication devices previously owned by a local government may be used by councillors for official council business use during the transitional period.

Additionally, where council deems it necessary to acquire new mobile devices due to the new local government structure, extra facilities may be approved by council resolution.

Example: Mobile telephones or hand-held personal digital assistants (i.e. 'Blackberry')

Insurance cover

A local government will indemnify or insure councillors in the event of injury sustained while discharging their civic duties. The local government will pay the excess for injury claims made by a councillor resulting from conducting official council business.

Fuel costs

Fuel for a council-owned vehicle used for official council business, will be provided or paid for by council.

Car parking amenities

Councils are to provide councillors with:

- car parking at the local government office premises and/or
- reimbursement of parking costs paid by councillors while attending to official council business.

GRI Content Index

In line with our commitment to sustainability, Council continues to apply as many indicators as practicable from the Global Reporting Index (GRI) framework, as detailed in the table below.

GRI Report Content

GRI Reference Number		Page in Annual Report
Vision and Strategy		
1.1	Organisation's vision relating to sustainability.	3
1.2	Statement from the CEO describing key elements of the report.	9
Profile		
2.1	Organisation's name.	Front cover
2.3	Operational structure of the organisation.	18
2.4	Major divisions, operating companies, subsidiaries and joint ventures.	18
2.5	Countries of operation.	3
2.7	Nature of markets served.	4
2.8	Scale of the reporting organisation.	5
2.11	Reporting period.	Front cover
2.12	Date of most recent previous report.	5
2.20	Policies and internal practices Council relies on.	22–29
Governance Structure and Management Systems		
3.1	Governance structure of Council.	22, 27
3.4	Board-level process for overseeing organisation's identification and management of economic, environmental and social risks and opportunities.	23–26
3.6	Organisational structure and key staff.	9–10, 18
3.7	Mission, vision, values.	3, 19
Stakeholder Engagement		
3.10	Approaches to stakeholder consultation.	8
3.11	Type of information generated by stakeholder consultations and indicators developed as a result of stakeholder communication.	8, 9
3.12	Use of information resulting from stakeholder engagements.	8, 9
Overarching Policies and Management Systems		
3.14	Externally developed, voluntary set of principles that organisation endorses.	19, 28
3.17	Approach to reporting social, economic and environmental performance.	41–48
3.18	Major decisions during the reporting period regarding the location of, or changes in operations, such as facility openings, expansions and contractions.	49–53
3.19	Programs and procedures pertaining to economic, environmental and social performance, such as target setting, internal communication and training, performance monitoring.	41–48, 19

GRI Measures Table

Core Indicator	Add'l Indicator		Page in Annual Report
Environmental Indicators EN: Environmental Performance Indicators			
Energy Use			
	EN17	Initiatives to use renewable energy sources and to increase energy efficiency.	60
Water			
EN5		Total water use.	7
Biodiversity			
	EN7 EN27	Objectives, programs and targets for protecting and restoring native ecosystems and species in degraded areas.	43-44
Emissions, Effluent and Waste			
EN8		Greenhouse gas emissions.	60
EN11		Total amount of waste by type and destination.	7, 67
EN12		Significant discharges to water by type.	71
Overall			
	EN35	Total environmental expenditures.	53
Economic Indicators EC: Economic Performance Indicators			
Customers			
EC1		Net sales.	77
Suppliers			
EC3		Cost of all goods, materials and services purchased (by region).	39
Employees			
EC5		Total payroll and benefits (including wages, pension, other benefits and redundancy payments).	96
Providers of Capital			
EC7		Increase/decrease in retained earnings at end of period	77

More detail continued over page →

Social Indicators LA: Labour Practices Indicators			
Employment			
LA1		Breakdown of workforce.	6
	LA12	Employee benefits beyond those legally mandated.	96
LA2		Net employment increase/decrease and average turnover.	21
Labour/Management Relations			
LA3		Percentage of employees represented by trade union organisations or collective bargaining agreements.	21
LA4	–	Employee consultation.	21
Workplace Health and Safety			
LA5	–	Practices on recording and notification of occupational accidents and diseases.	21
LA6	–	Description of health and safety committees.	20
LA7	–	Standard injury, lost day, and absentee rates and number of work-related fatalities (including subcontracted workers).	21
Training and Education			
	LA16	Programs to support the continued employability of employees and to manage career endings.	20
	LA17	Specific policies for skills management or for lifelong learning.	20
Diversity and Opportunity			
LA10	–	Description of EEO policies.	19, 25
LA11	–	Composition of senior management corporate governance bodies (including Council).	11, 16-17
HR: Human Rights			
Non-discrimination			
HR4		Description of policies and preventing discrimination.	25
HR10		Description of non-retaliation policy and effective, confidential employee grievance system	23
SO: Social Performance Indicators			
Bribery and Corruption			
SO2	–	Policies addressing bribery and corruption.	22-23
PR: Product Responsibility Indicators			
Community Health and Safety			
PR1		Description of policy for preserving customer health and safety during use of products and services.	26

Index

A

About Redland City	3
Asset management	25
Audit committee	24
Audit – internal	23
Audit – external	24

B

Biodiversity Policy	44
Borrowing Policy	29
Building applications	6
Business Grow Program	41

C

Chief Executive Officer	9, 16
Children's services	45
China Trade Office	41
Cities for Climate Protection	43
Community celebrations	48
Community Financial Report	76-80
Community grants	6
Community health and wellbeing	45-48, 51-52
Compliance	25
Corporate governance	22-35
• Advertising	35
• Consultants	34
• Expenses and hospitality	35
• Travel	35
Corporate Plan	36-38
Corporate purchasing policy	39
Councillors	11
• Appointments to committees and other bodies	15
• Attendance at meetings	14
• Code of Conduct	22
• Remuneration	12
Culture	13

D

Doing Business with Council	39
-----------------------------------	----

E

Economic development	41-42
Economic achievements	41-42, 53
Electoral divisions	11
Employee Code of Conduct	23
Employee development	20
Environment achievements	43-44, 53
Equal Employment Opportunity	19, 25
Executive Leadership Group	9, 16-17
Expressions of interest	40

F

Financial statements	81-116
Five years at Redlands	5-7
Freedom of Information	28

G

General Meetings of Council	14
Global reporting initiatives	123

H

Human Resource Management Plan	19
--------------------------------------	----

K

Key projects

• Community health and wellbeing	51-52
• Economic prosperity	53
• Essential services	50
• Land use	52
• Natural environment	53
Koala Policy and Strategy	44

L

Leadership and workforce development	20
--	----

Legislation	28
Libraries	4
Looking forward	54-55
• Community health and wellbeing	51-52
• Economic prosperity	53
• Essential services	50
• Natural environment	53
• Land use	52

M

Mayor	8,11
Mission	3

N

National Competition Policy	40
-----------------------------------	----

O

Operating revenue	5
Organisational structure	18
Organisational leadership	16-17

P

Parks and reserves	5, 43-44
Performance management	26-27
Performance reporting	27
Policy – the role	25
Population	4

R

Rates	5
Recycling	61
Redland Water & Waste	56-75
• Accuracy bands	65
• Confidence gradings	70
• Cross-subsidies	74
• Customer service standards	66
• Financial performance snapshot	72-73
• KPIs	66-67, 70-71

• Major activities and achievements	60-65
• Operational performance	69
• Performance Plan changes	74
• Reliability bands	65
• Reviews	58
• Statutory obligations	57
• Strategic Asset Management Plan	58, 70
Redlands Trade and Investment	
Office China	41
Registers kept by Council	40
Respite services	46
Revenue Policy	29
Risk management	26

S

Seniors	46
Social achievements	45-48, 51-52
Special events	48
Staff	6, 19-21
Standing committees	30-33
State of the Environment Report	43
Suppliers	39

T

Tenders	40
Tourism	42

V

Vision	3
--------------	---

W

Who we are	19
Workers' compensation	21
Workplace health and safety	20-21

Y

Young people	45
--------------------	----

PO Box 21, Cleveland Qld 4163
phone 07 3829 8999 fax 07 3829 8765
For more information visit our website www.redland.qld.gov.au
or www.more2redlands.com.au

