



**Redland**  
CITY COUNCIL

# **MINUTES**

## **GENERAL MEETING**

**Wednesday, 27 July 2016**

The Council Chambers  
35 Bloomfield Street  
CLEVELAND QLD

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## 1 DECLARATION OF OPENING

The Mayor declared the meeting open at 9.34am and acknowledged the Quandamooka people, who are the traditional custodians of the land on which Council meets.

The Mayor also paid Council's respect to their elders, past and present, and extended that respect to other indigenous Australians who are present.

## 2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

### MEMBERS PRESENT:

Cr K Williams	Mayor
Cr W Boglary	Deputy Mayor and Councillor Division 1
Cr P Mitchell	Councillor Division 2
Cr P Gollè	Councillor Division 3
Cr L Hewlett	Councillor Division 4
Cr M Edwards	Councillor Division 5
Cr J Talty	Councillor Division 6
Cr M Elliott	Councillor Division 7 – entered at 9.35am
Cr T Huges	Councillor Division 8
Cr P Gleeson	Councillor Division 9
Cr P Bishop	Councillor Division 10

### EXECUTIVE LEADERSHIP TEAM:

Mr B Lyon	Chief Executive Officer
Mr N Clarke	General Manager Organisational Services
Mrs L Rusan	General Manager Community & Customer Services
Mr G Soutar	General Manager Infrastructure & Operations
Mrs D Corbett-Hall	Chief Financial Officer
Ms A Daly	Head of Human Resources

### MINUTES

Mrs J Parfitt	Corporate Meetings & Registers
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## 3 DEVOTIONAL SEGMENT

Pastor Linda Grieve of 3C Church and a member of the Ministers' Fellowship led Council in a brief devotional segment.

## 4 RECOGNITION OF ACHIEVEMENT

No items presented.

**5 RECEIPT AND CONFIRMATION OF MINUTES****5.1 GENERAL MEETING MINUTES 13 JULY 2016****COUNCIL RESOLUTION**

Moved by: Cr P Bishop  
Seconded by: Cr P Gleeson

That the minutes of the General Meeting of Council held 13 July 2016 be confirmed.

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

**5.2 SPECIAL MEETING MINUTES 14 JULY 2016****COUNCIL RESOLUTION**

Moved by: Cr T Huges  
Seconded by: Cr M Elliott

That the minutes of the Special Meeting of Council held 14 July 2016 be confirmed.

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

**6 MATTERS OUTSTANDING FROM PREVIOUS COUNCIL MEETING MINUTES****6.1 REQUEST FOR REPORT – PETITION REQUESTING PENSIONERS' COUNCIL RATES SUBSIDY BE GRANTED TO RESIDENTS OF LEASEHOLD RETIREMENT VILLAGES**

At the General Meeting of 11 May 2016 (Item 8.1.1 refers) Council resolved as follows:

*That the petition be received and referred to a committee or the Chief Executive Officer for consideration and a report to the local government.*

Chief Executive Officer updated the meeting stating that a draft report has been distributed to Councillors. The report, including a fact sheet, is proposed be presented to General Meeting for consideration in August.

**7 PUBLIC PARTICIPATION****MOTION TO ADJOURN MEETING AT 9.40AM**

Moved by: Cr P Gleeson  
Seconded by: Cr J Talty

That Council adjourn the meeting for a 5 minute public participation segment.

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

1. Mr P. Piert, resident of Thornlands and representing Hogs Breath Café Cleveland, addressed Council in relation to the application for Mixed Use Development at 21-31 Bloomfield Street and 143 Shore Street, Cleveland (Eat Street Food Markets) and the impact it will have on the Raby Bay restaurant precinct and other cafés and restaurants in Cleveland.

### **MOTION TO RESUME MEETING AT 9.50AM**

Moved by: Cr P Bishop  
Seconded by: Cr P Mitchell

That the meeting proceedings resume.

CARRIED 11/0

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

### **8 PETITIONS AND PRESENTATIONS**

Nil.

### **9 MOTION TO ALTER THE ORDER OF BUSINESS**

#### **9.1 MOTION TO ACCEPT LATE ITEM**

#### **COUNCIL RESOLUTION**

Moved by: Cr M Elliott  
Seconded by: Cr J Talty

That a confidential late Item – *Moving the Station Masters Cottage* – be received and discussed as item 16.1.2.

CARRIED 11/0

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

### **10 DECLARATION OF MATERIAL PERSONAL INTEREST OR CONFLICT OF INTEREST ON ANY ITEMS OF BUSINESS**

Nil

### **COUNCILLOR ABSENCES DURING MEETING**

Cr Elliott entered the meeting at 9.38am after completion of the Devotional Segment.  
Cr Elliott left the meeting at 10.43am and returned at 10.45am during closed session.  
Cr Gollè left the meeting at 10.43am and returned at 10.45am during closed session.  
Cr Edwards left the meeting at 10.47am and returned at 10.49am during closed session.  
Cr Bishop left the meeting at 10.48am during closed session.

## 11 REPORTS TO COUNCIL

### 11.1 OFFICE OF CEO

#### 11.1.1 INTERIM JUNE 2016 MONTHLY FINANCIAL REPORT

**Objective Reference:** A124442  
Reports and Attachments (Archives)

**Attachment:** [Interim June 2016 Monthly Financial Report](#)

**Authorising Officer:**



**Deborah Corbett-Hall**  
Chief Financial Officer

**Responsible Officer:** Leandri Brown  
Finance Manager Corporate Finance

**Report Author:** Rose McNiven  
Acting Corporate Accountant

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#### PURPOSE

The purpose of this report is to note the interim year to date financial results as at 30 June 2016.

#### BACKGROUND

Council adopts an annual budget and then reports on performance against the budget on a monthly basis. This is not only a legal requirement but enables the organisation to periodically review its financial performance and position and respond to changes in community requirements, market forces or other outside influences.

#### ISSUES

##### *Interim results*

The June 2016 Monthly Financial Performance Report is prepared based on interim financial results for the year ended 30 June 2016 (prior to the finalisation of the end of year accounts). Significant movement is expected through the finalisation of accruals, deferrals and other year-end adjustments over the coming weeks. The final results for the year ended 30 June 2016 will be reflected in the audited annual financial statements.

#### STRATEGIC IMPLICATIONS

Council continued to report a strong interim financial position and favourable interim operating result at the end of June 2016.

Council has either achieved or favourably exceeded the following interim Key Financial Stability and Sustainability Ratios as at the end of June 2016:

- Operating surplus ratio;
  - Net financial liabilities;
  - Level of dependence on general rate revenue;
-

- Ability to pay our bills – current ratio;
- Ability to repay our debt – debt servicing ratio;
- Cash balance;
- Cash balances – cash capacity in months;
- Longer term financial sustainability – debt to asset ratio;
- Operating performance; and
- Interest cover ratio.

Asset sustainability is the only ratio that did not meet the target at the end of June 2016. Although this ratio is a stretch target, Council continues to monitor its renewal spend and depreciation expense on infrastructure assets. At the end of June 2016, Council exceeded its budgeted renewal spend for the financial year.

### **Legislative Requirements**

The June 2016 interim financial results are presented in accordance with the legislative requirement of section 204(2) of the *Local Government Regulation 2012*, requiring the Chief Executive Officer to present the financial report to a monthly Council meeting.

### **Risk Management**

The June 2016 interim financial results have been noted by the Executive Leadership Team and relevant officers who can provide further clarification and advice around actual to budget variances.

### **Financial**

There is no direct financial impact to Council as a result of this report; however it provides an indication of interim financial outcomes at the end of June 2016.

### **People**

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

### **Environmental**

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

### **Social**

Nil impact expected as the purpose of the attached report is to provide financial information to Council based upon actual versus budgeted financial activity.

### **Alignment with Council's Policy and Plans**

This report has a relationship with the following items of the 2015-2020 Corporate Plan:

#### **8. Inclusive and ethical governance**

Deep engagement, quality leadership at all levels, transparent and accountable democratic processes and a spirit of partnership between the community and Council will enrich residents' participation in local decision-making to achieve the community's Redlands 2030 vision and goals.

8.2 Council produces and delivers against sustainable financial forecasts as a result of best practice Capital and Asset Management Plans that guide project planning and service delivery across the city.



**CONSULTATION**

Council departmental officers, Financial Services Group officers and the Executive Leadership Team are consulted on financial results and outcomes throughout the period.

**OPTIONS**

1. That Council resolves to note the interim financial position, results and ratios for June 2016 as presented in the attached Monthly Financial Report.
2. That Council requests additional information.

**OFFICER'S RECOMMENDATION  
COUNCIL RESOLUTION**

Moved by: Cr M Elliott  
Seconded by: Cr J Talty

**That Council resolves to note the interim financial position, results and ratios for June 2016 as presented in the attached Monthly Financial Report.**

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.



# Monthly Financial Report

Interim June 2016

*Note: This interim report is prepared at year end pending finalisation of the statutory financial statements due 31 October 2016.*

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## 1. EXECUTIVE SUMMARY

This monthly report is designed to illustrate the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 30 June 2016. The year to date and annual revised budget referred to in this report reflects the final revised budget as adopted by Council on 11 May 2016. Note: all amounts are rounded to the nearest thousand dollars.

The June 2016 Monthly Financial Report is prepared based on interim financial results for the year ended 30 June 2016 (prior to the finalisation of the end of year accounts). Significant movement is expected through the finalisation of accruals, deferrals and other year-end adjustments over the coming weeks. The final results for the year ended 30 June 2016 will be reflected in the audited annual financial statements.

### Key interim financial highlights and overview

Key Interim Financial Results	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000	YTD Variance %	Status
Operating Surplus/(Deficit)	263	263	5,346	5,083	1933%	✓
Recurrent Revenue	238,692	238,692	245,495	6,803	3%	✓
Recurrent Expenditure	238,429	238,429	240,149	1,720	1%	⚠
Capital Works Expenditure	72,320	72,320	61,626	(10,694)	-15%	✓
Closing Cash & Cash Equivalents	119,449	119,449	141,212	21,763	18%	✓

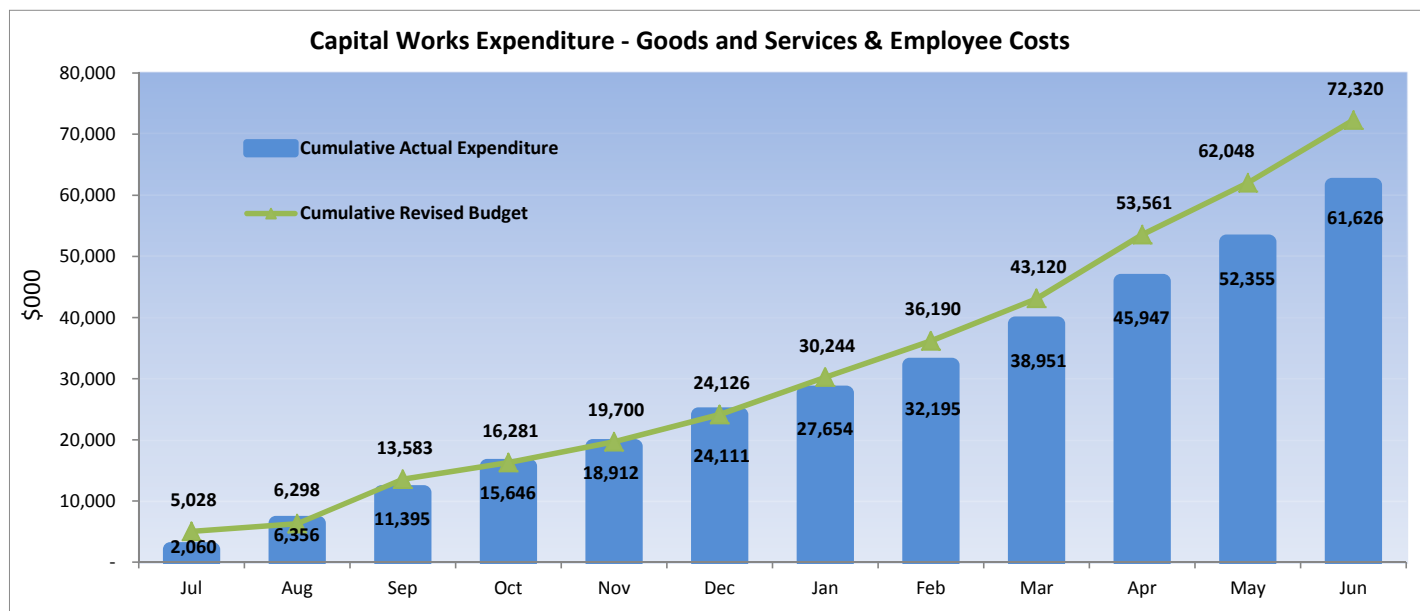
#### Status Legend:

Above budgeted revenue or under budgeted expenditure	✓
Below budgeted revenue or over budgeted expenditure <10%	⚠
Below budgeted revenue or over budgeted expenditure >10%	✘

The year to date operating result shows a favourable variance of \$5.08M to the year to date revised budget. A considerable portion of this variance is due to the reclassification of the Roads to Recovery grant from capital to operational which wasn't reflected in the budget. General rates revenue is boosted by payments received in advance. Additionally, higher than anticipated investment interest revenue contributed to the interim favourable operating result.

Capitalised works expenditure is behind budget by \$10.69M due to timing of works for a number of projects which are delayed or are still in the early stages of being progressed. Capital works that are no longer expected to be undertaken in this financial year have been carried forward to the next financial year during the final budget review. The carryover budget review is expected to be finalised in August 2016.

Council's cash balance exceeded budget due to higher than anticipated grants and contributions received and lower than expected payments for property, plant and equipment.



## 2. INTERIM KEY PERFORMANCE INDICATORS

### Interim key performance indicators

Interim Financial Stability Ratios and Measures of Sustainability	Target	Annual Revised Budget 2015/2016	YTD June 2016	Status
Operating Surplus Ratio (%)	Target between 0% and 10% (on average over the long-term)	0.11%	2.18%	✓
Asset Sustainability Ratio (%)	Target greater than 90% (on average over the long-term)	54.60%	52.78%	✗
Net Financial Liabilities (%)	Target less than 60% (on average over the long-term)	-22.49%	-31.83%	✓
Level of Dependence on General Rate Revenue (%)	Target less than 37.5%	33.94%	33.51%	✓
Ability to Pay Our Bills - Current Ratio	Target between 1.1 & 4.1	4.05	4.63	✓
Ability to Repay Our Debt - Debt Servicing Ratio (%)	Target less than or equal to 10%	3.33%	3.24%	✓
Cash Balance \$M	Target greater than or equal to \$40M	\$119.449M	\$141.212M	✓
Cash Balances - Cash Capacity in Months	Target 3 to 4 months	7.33	8.67	✓
Longer Term Financial Stability - Debt to Asset Ratio (%)	Target less than or equal to 10%	2.05%	2.04%	✓
Operating Performance (%)	Target greater than or equal to 20%	18.38%	20.89%	✓
Interest Cover Ratio (%)	Target between 0% and 5%	-0.25%	-0.50%	✓

#### Status Legend

KPI target achieved or exceeded	✓	KPI target not achieved	✗
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The Interim Key Performance Indicators above are based on interim financial results prior to the finalisation of end of year accounts. Significant movement is expected over the coming weeks and the final financial results will be reflected in the audited financial statements for the year ended 30 June 2016. The final Key Performance Indicators will be presented as part of the 2015/2016 Annual Report.

### 3. INTERIM STATEMENT OF COMPREHENSIVE INCOME

#### INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 June 2016

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Revised	Actual	Variance
	Budget	Budget	Budget	\$000	\$000
	\$000	\$000	\$000		
<b>Recurrent revenue</b>					
Rates, levies and charges	207,421	208,461	208,461	209,794	1,332
Fees and charges	11,638	13,305	13,305	13,674	369
Rental income	890	902	902	713	(189)
Interest received	3,355	3,855	3,855	4,584	729
Investment returns	3,234	-	-	-	-
Sales revenue	3,385	3,905	3,905	4,145	240
Other income	645	687	687	1,194	507
Grants, subsidies and contributions	7,584	7,576	7,576	11,391	3,815
<b>Total recurrent revenue</b>	<b>238,152</b>	<b>238,692</b>	<b>238,692</b>	<b>245,495</b>	<b>6,803</b>
<b>Capital revenue</b>					
Grants, subsidies and contributions	13,176	29,387	29,387	33,438	4,051
Non-cash contributions	3,079	3,079	3,079	16,280	13,201
<b>Total capital revenue</b>	<b>16,255</b>	<b>32,466</b>	<b>32,466</b>	<b>49,718</b>	<b>17,252</b>
<b>TOTAL INCOME</b>	<b>254,407</b>	<b>271,159</b>	<b>271,159</b>	<b>295,213</b>	<b>24,055</b>
<b>Recurrent expenses</b>					
Employee benefits	77,404	78,191	78,191	79,456	1,265
Materials and services	106,010	105,679	105,679	105,727	48
Finance costs	4,657	3,820	3,820	3,752	(68)
Depreciation and amortisation	49,975	50,739	50,739	51,214	475
<b>Total recurrent expenses</b>	<b>238,046</b>	<b>238,429</b>	<b>238,429</b>	<b>240,149</b>	<b>1,720</b>
<b>Capital expenses</b>					
(Gain)/Loss on disposal of non-current assets	412	544	544	2,142	1,598
<b>Total capital expenses</b>	<b>412</b>	<b>544</b>	<b>544</b>	<b>2,142</b>	<b>1,598</b>
<b>TOTAL EXPENSES</b>	<b>238,458</b>	<b>238,974</b>	<b>238,974</b>	<b>242,291</b>	<b>3,318</b>
<b>NET RESULT</b>	<b>15,949</b>	<b>32,185</b>	<b>32,185</b>	<b>52,922</b>	<b>20,737</b>
<b>Other comprehensive income/(loss)</b>					
Items that will not be reclassified to a net result					
Revaluation of property, plant and equipment	-	-	-	(432)	(432)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>15,949</b>	<b>32,185</b>	<b>32,185</b>	<b>52,490</b>	<b>20,305</b>

Other Comprehensive Income will change as a result of asset revaluations. The audited financial statements for the year ended 30 June 2016 will reflect the final revalued position and impact. Also, the Statement of Other Comprehensive Income will adjust over coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2016. The financial statements will be presented as part of the 2015/2016 Annual Report.

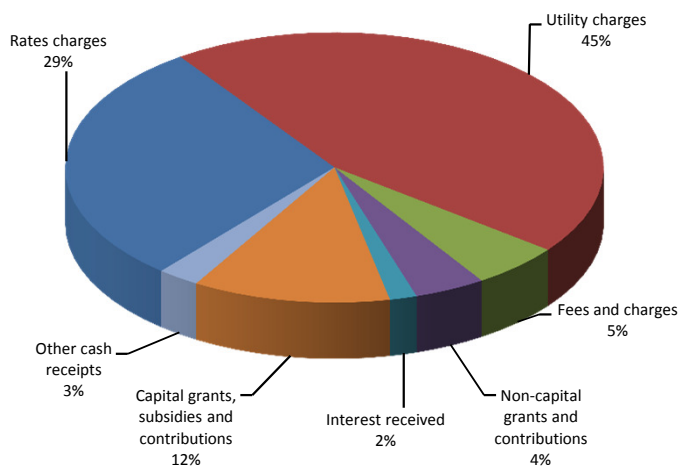


## 4. INTERIM STATEMENT OF CASH FLOWS

### INTERIM STATEMENT OF CASH FLOWS For the period ending 30 June 2016

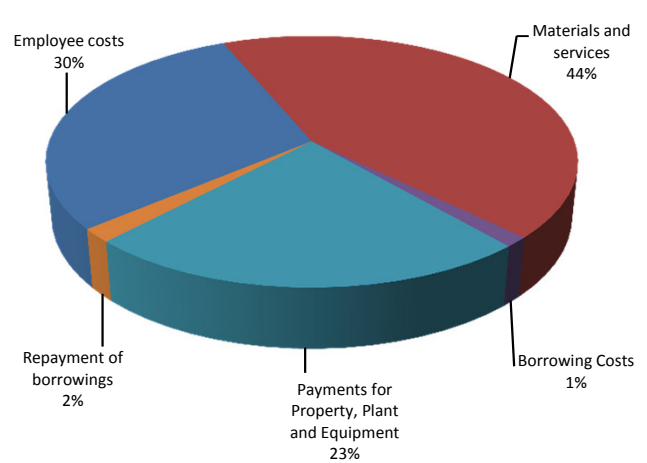
	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	223,088	226,310	226,310	229,606
Payments to suppliers and employees	(189,183)	(192,234)	(192,234)	(191,990)
	<b>33,905</b>	<b>34,077</b>	<b>34,077</b>	<b>37,616</b>
Interest received	3,355	3,855	3,855	4,584
Rental income	890	902	902	713
Non-capital grants and contributions	7,584	8,458	8,458	12,032
Borrowing costs	(3,257)	(3,257)	(3,257)	(3,355)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>42,477</b>	<b>44,036</b>	<b>44,036</b>	<b>51,590</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(77,998)	(72,320)	(72,320)	(61,419)
Payments for intangible assets	(100)	-	-	(207)
Proceeds from sale of property, plant and equipment	1,716	1,716	1,716	1,081
Capital grants, subsidies and contributions	13,176	29,387	29,387	33,438
Other cash flows from investing activities	3,234	-	-	-
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(59,972)</b>	<b>(41,218)</b>	<b>(41,218)</b>	<b>(27,107)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	(4,696)	(4,696)	(4,696)	(4,598)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(4,696)</b>	<b>(4,696)</b>	<b>(4,696)</b>	<b>(4,598)</b>
<b>Net increase / (decrease) in cash held</b>	<b>(22,191)</b>	<b>(1,878)</b>	<b>(1,878)</b>	<b>19,885</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>84,087</b>	<b>121,327</b>	<b>121,327</b>	<b>121,327</b>
<b>Cash and cash equivalents at the end of the financial year / period</b>	<b>61,896</b>	<b>119,449</b>	<b>119,449</b>	<b>141,212</b>

### Cash Funding (YTD)



Total Cash Funding (Actual YTD)	281,454
Total Cash Funding (Annual Revised Budget)	270,628
% of Budget Achieved YTD	104%

### Cash Expenditure (YTD)



Total Cash Expenditure (Actual YTD)	261,569
Total Cash Expenditure (Annual Revised Budget)	272,507
% of Budget Achieved YTD	96%

The Interim Statement of Cash Flows will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2016. The financial statements will be presented as part of the 2015/2016 Annual Report. Of note, cash at the end June 2016 will not change, movements will be due to classification within the accounts.

## 5. INTERIM STATEMENT OF FINANCIAL POSITION

### INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2016

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual Balance \$000
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	61,896	119,449	119,449	141,212
Trade and other receivables	26,046	25,017	25,017	25,495
Inventories	845	779	779	789
Non-current assets held for sale	354	1,309	1,309	5,975
Other current assets	1,154	1,104	1,104	1,951
<b>Total current assets</b>	<b>90,295</b>	<b>147,658</b>	<b>147,658</b>	<b>175,422</b>
<b>NON-CURRENT ASSETS</b>				
Investment property	893	956	956	956
Property, plant and equipment	2,118,731	2,264,449	2,264,449	2,264,844
Intangible assets	916	2,823	2,823	2,994
Other financial assets	73	73	73	73
Investment in other entities	10,063	10,063	10,063	5,356
<b>Total non-current assets</b>	<b>2,130,676</b>	<b>2,278,364</b>	<b>2,278,364</b>	<b>2,274,223</b>
<b>TOTAL ASSETS</b>	<b>2,220,971</b>	<b>2,426,022</b>	<b>2,426,022</b>	<b>2,449,645</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	15,369	20,050	20,050	20,860
Borrowings	5,559	4,482	4,482	4,482
Provisions	8,053	8,422	8,422	9,388
Other current liabilities	1,282	3,529	3,529	3,167
<b>Total current liabilities</b>	<b>30,263</b>	<b>36,482</b>	<b>36,482</b>	<b>37,897</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	44,200	45,277	45,277	45,375
Provisions	10,769	12,209	12,209	14,013
<b>Total non-current liabilities</b>	<b>54,969</b>	<b>57,487</b>	<b>57,487</b>	<b>59,388</b>
<b>TOTAL LIABILITIES</b>	<b>85,232</b>	<b>93,968</b>	<b>93,968</b>	<b>97,285</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,135,739</b>	<b>2,332,053</b>	<b>2,332,053</b>	<b>2,352,360</b>
<b>COMMUNITY EQUITY</b>				
Asset revaluation surplus	668,685	827,411	827,411	826,979
Retained surplus	1,415,250	1,425,342	1,425,342	1,433,899
Constrained cash reserves	51,804	79,300	79,300	91,482
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,135,739</b>	<b>2,332,053</b>	<b>2,332,053</b>	<b>2,352,360</b>

The Interim Statement of Financial Position will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2016. The financial statements will be presented as part of the 2015/2016 Annual Report.



## 6. INTERIM OPERATING STATEMENT

### INTERIM OPERATING STATEMENT For the period ending 30 June 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Revenue</b>					
Rates charges	82,760	83,801	83,801	85,019	1,218
Levies and utility charges	128,121	128,121	128,121	127,971	(150)
<i>Less: Pensioner remissions and rebates</i>	(3,460)	(3,461)	(3,461)	(3,196)	264
Fees and charges	11,638	13,305	13,305	13,674	369
Operating grants and subsidies	7,053	7,045	7,045	10,858	3,813
Operating contributions and donations	531	531	531	533	2
Interest external	3,355	3,855	3,855	4,584	729
Investment returns	3,234	-	-	-	-
Other revenue	4,920	5,494	5,494	6,052	558
<b>Total revenue</b>	<b>238,152</b>	<b>238,692</b>	<b>238,692</b>	<b>245,495</b>	<b>6,803</b>
<b>Expenses</b>					
Employee benefits	77,404	78,191	78,191	79,456	1,265
Materials and services	106,542	106,149	106,149	106,517	368
Finance costs other	1,400	563	563	398	(165)
Other expenditure	347	409	409	582	173
Net internal costs	(879)	(879)	(879)	(1,372)	(493)
<b>Total expenses</b>	<b>184,814</b>	<b>184,433</b>	<b>184,433</b>	<b>185,581</b>	<b>1,148</b>
<b>Earnings before interest, tax and depreciation (EBITD)</b>	<b>53,338</b>	<b>54,259</b>	<b>54,259</b>	<b>59,914</b>	<b>5,655</b>
Interest expense	3,257	3,257	3,257	3,354	97
Depreciation and amortisation	49,975	50,739	50,739	51,214	475
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>106</b>	<b>263</b>	<b>263</b>	<b>5,346</b>	<b>5,083</b>

### Interim levies and utility charges breakup For the period ending 30 June 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Levies and utility charges</b>					
Refuse charges	20,051	20,051	20,051	19,896	(155)
Special charges	3,874	3,874	3,874	3,945	71
Environment levy	5,830	5,830	5,830	5,946	116
Landfill remediation charge	2,677	2,677	2,677	2,728	51
Wastewater charges	40,114	40,114	40,114	42,031	1,917
Water access charges	17,817	17,817	17,817	17,990	173
Water consumption charges	37,759	37,759	37,759	35,435	(2,324)
<b>Total Levies and utility charges</b>	<b>128,121</b>	<b>128,121</b>	<b>128,121</b>	<b>127,971</b>	<b>(150)</b>

The Interim Operating Statement will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2016. The financial statements will be presented as part of the 2015/2016 Annual Report.

## 7. INTERIM CAPITAL FUNDING STATEMENT

### INTERIM CAPITAL FUNDING STATEMENT For the period ending 30 June 2016

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
<b>Sources of capital funding</b>					
Capital contributions and donations	6,133	18,623	18,623	26,477	7,854
Capital grants and subsidies	7,043	10,764	10,764	6,961	(3,803)
Proceeds on disposal of non-current assets	1,716	1,716	1,716	1,081	(635)
Capital transfers (to)/ from reserves	14,566	(656)	(656)	(11,313)	(10,657)
Non-cash contributions	3,079	3,079	3,079	16,280	13,201
Funding from general revenue	53,336	46,570	46,570	43,018	(3,552)
<b>Total sources of capital funding</b>	<b>85,873</b>	<b>80,095</b>	<b>80,095</b>	<b>82,504</b>	<b>2,408</b>
<b>Application of capital funds</b>					
Contributed assets	3,079	3,079	3,079	16,280	13,201
Capitalised goods and services	72,366	67,701	67,701	56,364	(11,338)
Capitalised employee costs	5,732	4,619	4,619	5,262	643
Loan redemption	4,696	4,696	4,696	4,598	(98)
<b>Total application of capital funds</b>	<b>85,873</b>	<b>80,095</b>	<b>80,095</b>	<b>82,504</b>	<b>2,408</b>
<b>Other budgeted items</b>					
Transfers to constrained operating reserves	(11,131)	(11,178)	(11,178)	(11,110)	68
Transfers from constrained operating reserves	10,509	10,367	10,367	8,774	(1,593)
WDV of assets disposed	2,128	2,260	2,260	3,223	963

The Interim Capital Funding Statement will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2016. The financial statements will be presented as part of the 2015/2016 Annual Report.

## 8. INTERIM REDLAND WATER & REDWASTE STATEMENTS

### INTERIM REDLAND WATER SUMMARY OPERATING STATEMENT For the Period Ending 30 June 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	97,659	97,966	97,966	98,268	302
Total expenses	53,982	53,135	53,135	50,702	(2,433)
Earnings before interest, tax and depreciation (EBITD)	43,677	44,831	44,831	47,566	2,735
Depreciation	17,081	16,833	16,833	16,976	143
<b>Operating surplus/(deficit)</b>	<b>26,596</b>	<b>27,998</b>	<b>27,998</b>	<b>30,590</b>	<b>2,592</b>

### INTERIM REDLAND WATER CAPITAL FUNDING STATEMENT For the Period Ending 30 June 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	3,500	8,308	8,308	8,342	34
Net transfer (to)/from constrained capital reserves	(2,714)	5,835	5,835	1,416	(4,419)
Other	3,000	3,000	3,000	4,285	1,285
Funding from utility revenue	17,680	6,220	6,220	8,204	1,984
<b>Total sources of capital funding</b>	<b>21,466</b>	<b>23,363</b>	<b>23,363</b>	<b>22,247</b>	<b>(1,116)</b>
Contributed assets	3,000	3,000	3,000	4,285	1,285
Capitalised expenditure	18,466	20,363	20,363	17,962	(2,401)
<b>Total applications of capital funds</b>	<b>21,466</b>	<b>23,363</b>	<b>23,363</b>	<b>22,247</b>	<b>(1,116)</b>

### INTERIM REDWASTE OPERATING STATEMENT For the Period Ending 30 June 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	21,810	21,710	21,710	21,655	(55)
Total expenses	15,678	15,408	15,408	14,955	(452)
Earnings before interest, tax and depreciation (EBITD)	6,132	6,302	6,302	6,700	398
Interest expense	42	42	42	41	(1)
Depreciation	553	539	539	372	(167)
<b>Operating surplus/(deficit)</b>	<b>5,537</b>	<b>5,722</b>	<b>5,722</b>	<b>6,287</b>	<b>566</b>

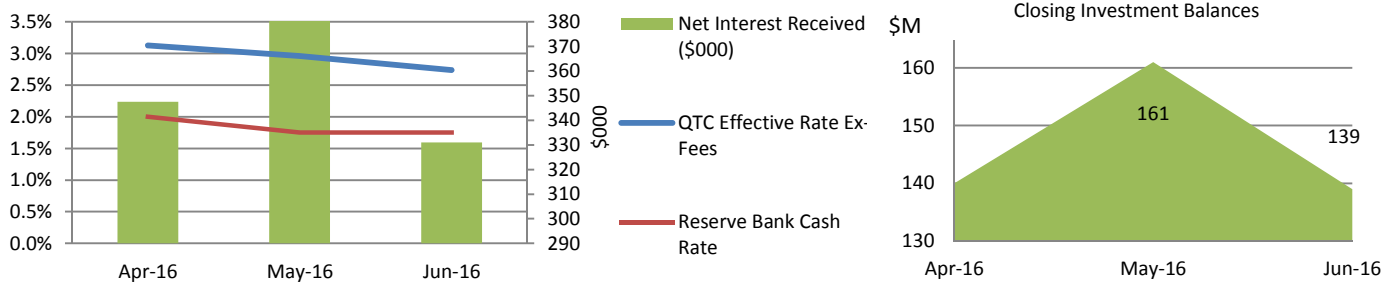
### INTERIM REDWASTE CAPITAL FUNDING STATEMENT For the Period Ending 30 June 2016

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Funding from utility revenue	1,639	2,096	2,096	880	(1,216)
<b>Total sources of capital funding</b>	<b>1,639</b>	<b>2,096</b>	<b>2,096</b>	<b>880</b>	<b>(1,216)</b>
Capitalised expenditure	1,570	2,027	2,027	810	(1,217)
Loan redemption	69	69	69	70	1
<b>Total applications of capital funds</b>	<b>1,639</b>	<b>2,096</b>	<b>2,096</b>	<b>880</b>	<b>(1,216)</b>

## 9. INTERIM INVESTMENT & BORROWINGS REPORT

For the Period Ending 30 June 2016

### INVESTMENT RETURNS



**Total Investment at End of Month was \$138.88M**

#### Current Position

All Council investments are currently held in the Capital Guaranteed Cash Fund which is a fund operated by the Queensland Treasury Corporation (QTC).

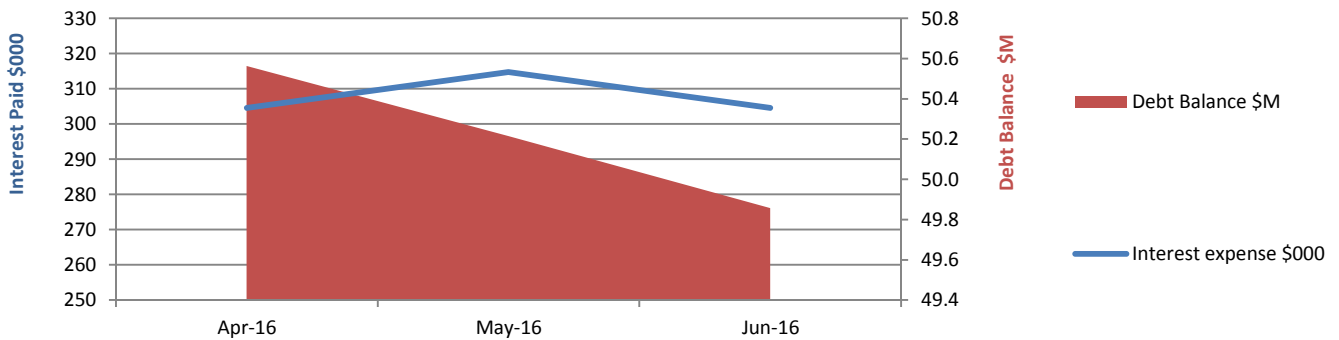
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis. The movement in investment balance is reflective of the rating cycle.

Note: the Reserve Bank reduced the cash rate down to 1.75% in the May 2016 sitting and maintained this position through to its June 2016 sitting.

Term deposit rates are being monitored to identify investment opportunities. Where such opportunities are not identified, the team ensures Council maximises its interest earnings on a daily basis by depositing surplus funds at QTC for a higher rate than is achieved from the transactional bank account.

Council adopted its revised Investment Policy in April 2015 for the 2015-16 financial year

### BORROWING COSTS



**Total Borrowings at End of Month was \$49.86M**



#### Current Position

The existing loan accounts were converted to fixed rate loans on 1 April 2016 in line with QTC policies. In line with Council's debt policy, debt repayment has been made *annually* in advance for 2015-16.

Council adopted its revised Debt Policy in June 2015 for the 2015-16 financial year

### 10. INTERIM CONSTRAINED CASH RESERVES

Reserves as at 30 June 2016	Opening Balance	To Reserve	From Reserve	Closing Balance
	\$000	\$000	\$000	\$000
<b>Special Projects Reserve:</b>				
Weinam Creek Reserve	2,492	393	(479)	2,406
Red Art Gallery Commissions & Donations Res	2	-	-	2
	<b>2,494</b>	<b>393</b>	<b>(479)</b>	<b>2,408</b>
<b>Utilities Reserve:</b>				
Redland Water Reserve	8,300	-	-	8,300
Redland WasteWater Reserve	1,600	-	-	1,600
	<b>9,900</b>	<b>-</b>	<b>-</b>	<b>9,900</b>
<b>Constrained Works Reserve:</b>				
Parks Reserve	6,006	4,394	(1,258)	9,142
East Thornlands Road Infra Reserve	674	-	-	674
Community Facility Infrastructure Reserve	979	717	-	1,696
Retail Water Renewal & Purchase Reserve	7,478	1,655	(219)	8,914
Sewerage Renewal & Purchase Reserve	9,500	5,671	(8,523)	6,648
Constrained Works Res-Cap Grants & Contribs	1,410	584	(1,026)	968
Transport Trunk Infrastructure Reserve	13,565	8,514	(182)	21,897
Cycling Trunk Infrastructure Reserve	3,099	3,433	(687)	5,845
Stormwater Infrastructure Reserve	3,722	1,892	-	5,614
Constrained Works Res-Opr Grants & Contribs	1,246	-	(261)	985
Tree Planting Reserve	23	75	(34)	64
	<b>47,702</b>	<b>26,936</b>	<b>(12,191)</b>	<b>62,447</b>
<b>Separate Charge Reserve - Environment:</b>				
Environment Charge Acquisition Reserve	6,878	-	(70)	6,808
Environment Charge Maintenance Reserve	1,729	5,947	(6,183)	1,493
	<b>8,607</b>	<b>5,947</b>	<b>(6,253)</b>	<b>8,301</b>
<b>Special Charge Reserve - Other:</b>				
Bay Island Rural Fire Levy Reserve	-	230	(218)	12
SMBI Translink Reserve	2	830	(712)	120
	<b>2</b>	<b>1,060</b>	<b>(930)</b>	<b>132</b>
<b>Special Charge Reserve - Canals:</b>				
Raby Bay Canal Reserve	5,806	2,743	(4,402)	4,147
Aquatic Paradise Canal Reserve	2,834	910	(59)	3,685
Sovereign Waters Lake Reserve	487	58	(83)	462
	<b>9,127</b>	<b>3,711</b>	<b>(4,544)</b>	<b>8,294</b>
<b>TOTALS</b>	<b>77,833</b>	<b>38,047</b>	<b>(24,398)</b>	<b>91,482</b>

Closing Cash and Cash Equivalents	<b>141,212</b>
Reserves as percentage of cash balance	<b>65%</b>

## 11. GLOSSARY

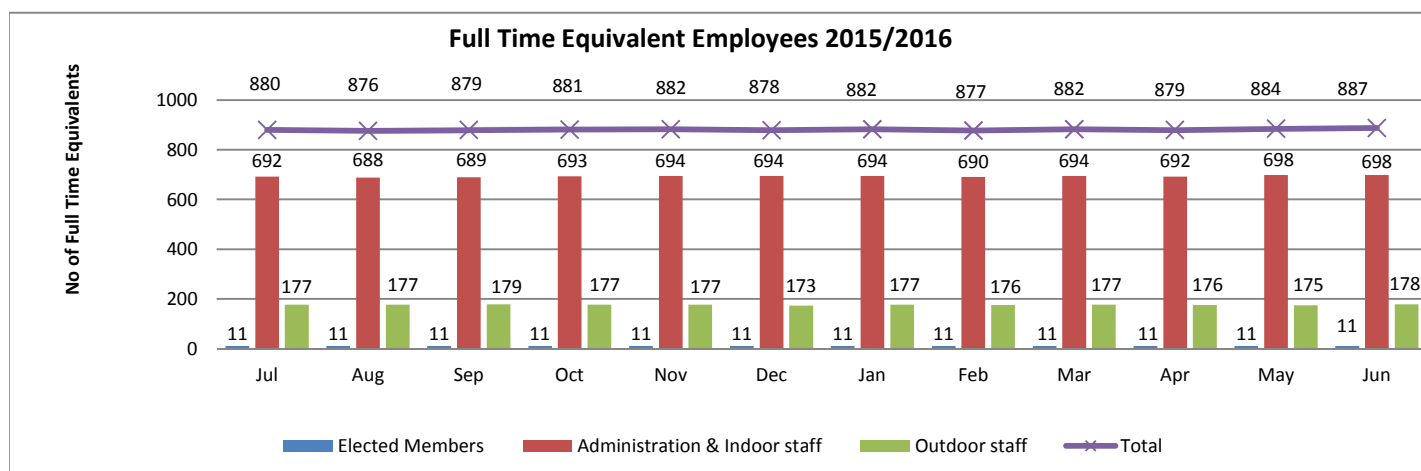
### Definition of ratios

<b>Operating Surplus Ratio*:</b> <i>This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes</i>	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$
<b>Asset Sustainability Ratio*:</b> <i>This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out</i>	$\frac{\text{Capital Expenditure on Replacement of Infrastructure Assets (Renewals)}}{\text{Depreciation Expenditure on Infrastructure Assets}}$
<b>Net Financial Liabilities*:</b> <i>This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues</i>	$\frac{\text{Total Liabilities} - \text{Current Assets}}{\text{Total Operating Revenue}}$
<b>Level of Dependence on General Rate Revenue:</b> <i>This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)</i>	$\frac{\text{General Rates} - \text{Pensioner Remissions}}{\text{Total Operating Revenue} - \text{Gain on Sale of Developed Land}}$
<b>Current Ratio:</b> <i>This measures the extent to which Council has liquid assets available to meet short term financial obligations</i>	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
<b>Debt Servicing Ratio:</b> <i>This indicates Council's ability to meet current debt instalments with recurrent revenue</i>	$\frac{\text{Interest Expense} + \text{Loan Redemption}}{\text{Total Operating Revenue} - \text{Gain on Sale of Developed Land}}$
<b>Cash Balance - \$M:</b>	Cash Held at Period End
<b>Cash Capacity in Months:</b> <i>This provides an indication as to the number of months cash held at period end would cover operating cash outflows</i>	$\frac{\text{Cash Held at Period End}}{[(\text{Cash Operating Costs} + \text{Interest Expense}) / \text{Period in Year}]}$
<b>Debt to Asset Ratio:</b> <i>This is total debt as a percentage of total assets, i.e. to what extent will our long term debt be covered by total assets</i>	$\frac{\text{Current and Non-current loans}}{\text{Total Assets}}$
<b>Operating Performance:</b> <i>This ratio provides an indication of Redland City Council's cash flow capabilities</i>	$\frac{\text{Net Cash from Operations} + \text{Interest Revenue and Expense}}{\text{Cash Operating Revenue} + \text{Interest Revenue}}$
<b>Interest Cover Ratio:</b> <i>This ratio demonstrates the extent which operating revenues are being used to meet the financing charges</i>	$\frac{\text{Net Interest Expense on Debt Service}}{\text{Total Operating Revenue}}$

\* These targets are set to be achieved on average over the longer term and therefore are not necessarily expected to be met on a monthly basis.

## 12. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

### Workforce reporting



Workforce reporting - YTD June 2016: Headcount	Employee Type						
	Casual	Contract of Service	Perm Full	Perm Part	Temp Full	Temp Part	Grand Total
Office of CEO	10	4	84	10	8	4	120
Organisational Services	4	5	107	9	5	5	135
Community and Customer Service	38	6	244	54	23	6	371
Infrastructure and Operations	19	6	309	10	11	1	356
<b>Total</b>	<b>71</b>	<b>21</b>	<b>744</b>	<b>83</b>	<b>47</b>	<b>16</b>	<b>982</b>

Note: Full Time Equivalent Employees includes all full time employees at a value of 1 and all other employees, at a value less than 1. The table above demonstrates the headcount by department (excluding agency staff) and does not include a workload weighting. It includes casual staff in their non-substantive roles as at the end of the period where relevant.

### Overdue rates debtors

#### Comparison June 2015 to June 2016

Total							Mainland						
Days Overdue	Jun-15	% Overdue	Jun-16	% Overdue	\$ Variance	% Variance	Days Overdue	Jun-15	% Overdue	Jun-16	% Overdue	\$ Variance	% Variance
<90	\$2,663,164	1.2%	\$2,692,812	1.2%	\$29,647	-0.01%	<90	\$1,931,906	0.8%	\$1,051,587	0.5%	-\$880,319	-0.39%
90 - 180 days	\$1,203,853	0.5%	\$1,123,916	0.5%	-\$79,937	-0.04%	90 - 180 days	\$782,775	0.3%	\$850,104	0.4%	\$67,329	0.02%
>180 days	\$2,827,866	1.2%	\$2,633,674	1.1%	-\$194,192	-0.11%	>180 days	\$1,437,790	0.6%	\$1,826,574	0.8%	\$388,784	0.15%
<b>Total</b>	<b>\$6,694,883</b>	<b>2.93%</b>	<b>\$6,450,402</b>	<b>2.77%</b>	<b>-\$244,481</b>	<b>-0.16%</b>	<b>Total</b>	<b>\$4,152,471</b>	<b>1.82%</b>	<b>\$3,728,265</b>	<b>1.60%</b>	<b>-\$424,206</b>	<b>-0.22%</b>

Nth Stradbroke Is / Coochiemudlo Is / Garden Is							SMBI						
Days Overdue	Jun-15	% Overdue	Jun-16	% Overdue	\$ Variance	% Variance	Days Overdue	Jun-15	% Overdue	Jun-16	% Overdue	\$ Variance	% Variance
<90	\$95,896	0.0%	\$0	0.0%	-\$95,896	-0.04%	<90	\$635,362	0.3%	\$1,641,224	0.7%	\$1,005,862	0.43%
90 - 180 days	\$50,172	0.0%	\$157,527	0.1%	\$107,356	0.05%	90 - 180 days	\$370,906	0.2%	\$116,285	0.0%	-\$254,621	-0.11%
>180 days	\$86,913	0.0%	\$279,459	0.1%	\$192,546	0.08%	>180 days	\$1,303,164	0.6%	\$527,642	0.2%	-\$775,522	-0.34%
<b>Total</b>	<b>\$232,980</b>	<b>0.10%</b>	<b>\$436,986</b>	<b>0.19%</b>	<b>\$204,006</b>	<b>0.09%</b>	<b>Total</b>	<b>\$2,309,432</b>	<b>1.01%</b>	<b>\$2,285,151</b>	<b>0.98%</b>	<b>-\$24,281</b>	<b>-0.03%</b>




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**11.2 COMMUNITY & CUSTOMER SERVICES****11.2.1 DECISIONS MADE UNDER DELEGATED AUTHORITY FOR CATEGORY 1, 2 & 3 DEVELOPMENTS**

**Objective Reference:** A124442  
Reports and Attachments (Archives)

**Attachment:** [Decisions Made Under Delegated Authority 19.06.2016 to 09.07.2016](#)

**Authorising Officer:**   
Louise Rusan  
General Manager Community & Customer Services

**Responsible Officer:** David Jeanes  
Group Manager City Planning & Assessment

**Report Author:** Natalie Manning  
Acting Senior Business Support Officer

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**PURPOSE**

The purpose of this report is for Council to note that the decisions listed below were made under delegated authority for Category 1, 2 and 3 development applications.

This information is provided for public interest.

**BACKGROUND**

At the General Meeting of 27 July, 2011, Council resolved that development assessments be classified into the following four Categories:

Category 1 – Minor Complying Code Assessments and Compliance Assessments and associated administrative matters, including correspondence associated with the routine management of all development applications;  
Category 2 – Complying Code Assessments and Compliance Assessments and Minor Impact Assessments;  
Category 3 – Moderately Complex Code & Impact Assessments; and  
Category 4 – Major and Significant Assessments

The applications detailed in this report have been assessed under:-

- Category 1 criteria - defined as complying code and compliance assessable applications, including building works assessable against the planning scheme, and other applications of a minor nature, including all accelerated applications.
- Category 2 criteria - defined as complying code assessable and compliance assessable applications, including operational works, and Impact Assessable applications without submissions of objection. Also includes a number of process related delegations, including issuing planning certificates, approval of



works on and off maintenance and the release of bonds, and all other delegations not otherwise listed.

- Category 3 criteria that are defined as applications of a moderately complex nature, generally mainstream impact assessable applications and code assessable applications of a higher level of complexity. Impact applications may involve submissions objecting to the proposal readily addressable by reasonable and relevant conditions. Both may have minor level aspects outside a stated policy position that are subject to discretionary provisions of the Planning Scheme. Applications seeking approval of a plan of survey are included in this category. Applications can be referred to General Meeting for a decision.

### **OFFICER'S RECOMMENDATION COUNCIL RESOLUTION**

**Moved by: Cr P Mitchell**  
**Seconded by: Cr J Talty**

**That Council resolves to note this report.**

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

**Decisions Made Under Delegated Authority 19.06.2016 to 25.06.2016**

<b>Application</b>	<b>Description</b>	<b>Category</b>	<b>Applicant</b>	<b>Property Address</b>	<b>Application Type</b>	<b>Decision Date</b>	<b>Decision</b>	<b>Division</b>
<b>Category 1</b>								
BWP003600	Design & Siting - Dwelling House	Category1	Building Code Approval Group Pty Ltd	15 Tolson Terrace, Ormiston QLD 4160	ConRef	22/06/2016	Approved	1
OPW002046	Prescribed Tidal works - Pontoon Addition	Category1	Bruce Leon Jackson Patricia Margaret Jackson	25 Bollard Court, Cleveland QLD 4163	Code Assessment	22/06/2016	Development Permit	2
BWP003599	Design and Siting - Dwelling house	Category1	Bartley Burns Certifiers & Planners	22 Arctic Street, Thornlands QLD 4164	ConRef	23/06/2016	Approved	3
BWP003202	Design and Siting	Category1	Impact Homes Pty Ltd	3A Moore Street, Victoria Point QLD 4165	Permissible Change	20/06/2016	Development Permit	4
BWP003596	Design and Siting - Dwelling House	Category1	Cornerstone Building Certification	1C Base Street, Victoria Point QLD 4165	ConRef	21/06/2016	Approved	4
BWP003578	Domestic Outbuilding - 3 x Shipping Containers/ Sheds	Category1	Applied Building Approvals	15-21 Crest Haven, Lamb Island QLD 4184	Code Assessment	21/06/2016	Development Permit	5
MCU013706	Dwelling House SMBI Development Entitlements Act 2004 - Special Consideration	Category1	Scott Albert Robinson	9 Oxford Road, Russell Island QLD 4184	Impact Assessment	21/06/2016	Development Permit	5
MCU013756	Dwelling House	Category1	Joh Domingo	12 Wilson Esplanade, Redland Bay QLD 4165	Code Assessment	23/06/2016	Development Permit	5
BWP003579	Design & Siting - Dwelling	Category1	Bartley Burns Certifiers & Planners	36 Vanstone Way, Redland Bay QLD 4165	ConRef	23/06/2016	Approved	6
BWP003539	Design and Siting - Domestic Outbuilding and Additions	Category1	Aaron Tate Purnell	42 Amaryllis Street, Alexandra Hills QLD 4161	ConRef	20/06/2016	Approved	8
BWP003584	Retaining Wall & Fence > 2m	Category1	Andrew Douglas Paterson Tamara Louise Paterson	4 Rosella Street, Wellington Point QLD 4160	Code Assessment	21/06/2016	Development Permit	8

Application	Description	Category	Applicant	Property Address	Application Type	Decision Date	Decision	Division
BWP003598	Design & Siting - Carport, Garage and Patio Alteration	Category1	The Certifier Pty Ltd	17-19 Currawong Drive, Birkdale QLD 4159	ConRef	22/06/2016	Approved	8
BWP003603	Design and Siting - Dwelling	Category1	Platinum Building Approvals	106-108 Delancey Street, Ormiston QLD 4160	ConRef	23/06/2016	Approved	8
BWP003597	Design and Siting - Dwelling House	Category1	Building Code Approval Group Pty Ltd	81 Quarry Road, Birkdale QLD 4159	ConRef	20/06/2016	Approved	10
<b>Category 2</b>								
MCU013375	Aged Persons and Special Needs Housing	Category2	Planning Initiatives	111-115 Smith Street, Cleveland QLD 4163	Permissible Change	20/06/2016	Development Permit	2
MCU013742	Community Facility	Category2	Development Solutions Qld	Beachwood Street Park, 72-106 Bankswood Drive, Redland Bay QLD 4165	Code Assessment	21/06/2016	Development Permit	6
MCU013754	Veterinary Surgery	Category2	Powercat Partners Pty Ltd Project Urban	101 Valley Way, Mount Cotton QLD 4165	Code Assessment	22/06/2016	Development Permit	6
OPW002048	Bulk Earthworks - Stockpiling of fill onsite	Category2	Sutgold Pty Ltd	38 Gordon Road, Redland Bay QLD 4165	Code Assessment	23/06/2016	Development Permit	6
MCU013533	Multiple Dwellings (12 Units)	Category2	Hometown Villas	100 Finucane Road, Alexandra Hills QLD 4161	Permissible Change	21/06/2016	Development Permit	8
MCU013330	Indoor Recreation Facility	Category2	Samuel Thomas Duncan	Capalaba Hub, 178-182 Redland Bay Road, Capalaba QLD 4157	Permissible Change	20/06/2016	Development Permit	9
MCU013712	Multiple Dwellings x 6	Category2	LXB Investments Pty Ltd as Trustee	12 Mary Street, Birkdale QLD 4159	Impact Assessment	20/06/2016	Development Permit	10

**Decisions Made Under Delegated Authority 26.06.2016 to 02.07.2016**

Application	Description	Category	Applicant	Property Address	Application Type	Decision Date	Decision	Division
<b>Category 1</b>								
BWP003624	Design and Siting	Category1	Worrall Geoff	81 Main Road, Wellington Point QLD 4160	ConRef	27/06/2016	Approved	1
MCU013320	New Dwelling	Category1	Bartley Burns Certifiers & Planners Casey Jackson Homes Pty Ltd	46 O'Connell Parade, Wellington Point QLD 4160	Permissible Change	27/06/2016	Development Permit	1
ROL006042	Boundary Realignment (2 into 2)	Category1	Michell Town Planning & Development	42-44 Edith Street, Wellington Point QLD 4160	Code Assessment	27/06/2016	Development Permit	1
BWP003511	Design & Siting - Dwelling House	Category1	Peterson Mark Adam	32A Erobin Street, Cleveland QLD 4163	Permissible Change	30/06/2016	Development Permit	2
BWP003616	Design and Siting - Patio	Category1	Fluid Approvals	96 Channel Street South, Cleveland QLD 4163	ConRef	27/06/2016	Approved	2
ROL006054	Reconfiguring a Lot (1 into 2 Lots)	Category1	Statewide Survey Group Pty Ltd Consulting Surveyors	15 Russell Street, Cleveland QLD 4163	Code Assessment	30/06/2016	Development Permit	2
BWP003566	Design and Siting - Carport	Category1	The Certifier Pty Ltd	60 Beach Street, Cleveland QLD 4163	ConRef	30/06/2016	Approved	3
BWP003619	Design and Siting - Dwelling House	Category1	Bartley Burns Certifiers & Planners	27 Waterline Boulevard, Thornlands QLD 4164	ConRef	30/06/2016	Approved	3
BWP003627	Design and Siting - New Dwelling	Category1	Metricon Homes Qld	24 Kalbarrie Terrace, Thornlands QLD 4164	ConRef	29/06/2016	Approved	3
MCU013652	Multiple Dwelling - 7 Units	Category1	TRP Pty Ltd	7 Colburn Avenue, Victoria Point QLD 4165	Code Assessment	30/06/2016	Development Permit	4
MCU013766	New Dwelling and Shed - ADA	Category1	Bay Island Designs	14 Rio Street, Macleay Island QLD 4184	Code Assessment	28/06/2016	Development Permit	5
BWP003610	Design & Siting - Dwelling House	Category1	The Certifier Pty Ltd	10 Carol Street, Redland Bay QLD 4165	ConRef	27/06/2016	Approved	5

Application	Description	Category	Applicant	Property Address	Application Type	Decision Date	Decision	Division
BWP003615	Design & Siting - Shed and Carport	Category1	The Certifier Pty Ltd	250 Gordon Road, Redland Bay QLD 4165	ConRef	30/06/2016	Approved	5
BWP003614	Design and Siting - Dwelling	Category1	Certifiers Qld Pty Ltd	25 Pyrus Place, Redland Bay QLD 4165	ConRef	28/06/2016	Approved	6
BWP003618	Design and Siting - Single Storey Dwelling	Category1	Professional Certification Group Rivergum Homes	17 Golden Wattle Avenue, Mount Cotton QLD 4165	ConRef	28/06/2016	Approved	6
BWP003406	Combined - Design and Siting and Building over of near relevant infrastructure New Covered Area	Category1	Australian Building Approvals	47 Azure Avenue, Redland Bay QLD 4165	Permissible Change	28/06/2016	Development Permit	6
MCU013759	Secondary Dwelling	Category1	Dixon Homes Pty Ltd (Sherwood)	164-166 Pioneer Road, Sheldon QLD 4157	Code Assessment	1/07/2016	Development Permit	6
BWP003622	Design and Siting - Dwelling	Category1	Henley Properties Qld Pty Ltd	5 Vanstone Way, Redland Bay QLD 4165	ConRef	29/06/2016	Approved	6
BWP003626	Design and Siting Carport	Category1	Fastrack Building Certification	13 Jasper Street, Alexandra Hills QLD 4161	ConRef	29/06/2016	Approved	8
BWP003564	Design & Siting - Dwelling/ Building over or new Sewer	Category1	Queensland One Homes (Qld) Pty Ltd	173 Mount Cotton Road, Capalaba QLD 4157	ConRef	28/06/2016	Approved	9
<b>Category 2</b>								
OPW002031	Operational Works - MCU Multiple Dwelling x 12	Category2	Eltham Projects C/- RMA Engineers RMA Engineers Pty Ltd	48-50 Little Shore Street, Cleveland QLD 4163	Compliance Assessment	1/07/2016	Compliance Certificate	2
OPW002033	Operational Works - MCU - Multiple Dwelling x 12 (Stormwater)	Category2	Eltham Projects C/- RMA Engineers RMA Engineers Pty Ltd Yajoc Pty Ltd As Trustee	48-50 Little Shore Street, Cleveland QLD 4163	Compliance Assessment	1/07/2016	Compliance Certificate	2

Application	Description	Category	Applicant	Property Address	Application Type	Decision Date	Decision	Division
OPW001874	Operational Works - Operational Works - ROL 1 into 5	Category2	Palacio Property Group Pty Ltd	188-200 Waterloo Street, Cleveland QLD 4163	Permissible Change	1/07/2016	Development Permit	3
OPW001874	Operational Works - Operational Works - ROL 1 into 5	Category2	Structerre Consulting Engineers	188-200 Waterloo Street, Cleveland QLD 4163	Permissible Change	1/07/2016	Development Permit	3
OPW002010	Operational Works – ROL 1 into 3	Category2	Civil Dimensions Consulting Engineers	22-28 Dart Street, Redland Bay QLD 4165	Code Assessment	29/06/2016	Development Permit	5
OPW002005.0B	Bulk Earthworks associated with OPW002005.1	Category2	Orchard (Thornlands) Developments Pty Ltd	100 Kinross Road, Thornlands QLD 4164	Code Assessment	29/06/2016	Development Permit	7
MCU012427	Multiple Dwelling x 4	Category2	Hannouf Fouad Ali Van Allan	14 Finucane Road, Capalaba QLD 4157	Code Assessment	29/06/2016	Approved	9
OPW002028	Operational Works - Combined Civil & Landscaping - Multiple Dwelling x 12	Category2	GH Consultant Engineers	159-161 Birkdale Road, Birkdale QLD 4159	Code Assessment	1/07/2016	Compliance Certificate	10

**Decisions Made Under Delegated Authority 19.06.2016 to 25.06.2016**


<b>Application</b>	<b>Description</b>	<b>Category</b>	<b>Applicant</b>	<b>Property Address</b>	<b>Application Type</b>	<b>Decision Date</b>	<b>Decision</b>	<b>Division</b>
<b>Category 1</b>								
BWP003600	Design & Siting - Dwelling House	Category1	Building Code Approval Group Pty Ltd	15 Tolson Terrace, Ormiston QLD 4160	ConRef	22/06/2016	Approved	1
OPW002046	Prescribed Tidal works - Pontoon Addition	Category1	Bruce Leon Jackson Patricia Margaret Jackson	25 Bollard Court, Cleveland QLD 4163	Code Assessment	22/06/2016	Development Permit	2
BWP003599	Design and Siting - Dwelling house	Category1	Bartley Burns Certifiers & Planners	22 Arctic Street, Thornlands QLD 4164	ConRef	23/06/2016	Approved	3
BWP003202	Design and Siting	Category1	Impact Homes Pty Ltd	3A Moore Street, Victoria Point QLD 4165	Permissible Change	20/06/2016	Development Permit	4
BWP003596	Design and Siting - Dwelling House	Category1	Cornerstone Building Certification	1C Base Street, Victoria Point QLD 4165	ConRef	21/06/2016	Approved	4
BWP003578	Domestic Outbuilding - 3 x Shipping Containers/ Sheds	Category1	Applied Building Approvals	15-21 Crest Haven, Lamb Island QLD 4184	Code Assessment	21/06/2016	Development Permit	5
MCU013706	Dwelling House SMBI Development Entitlements Act 2004 - Special Consideration	Category1	Scott Albert Robinson	9 Oxford Road, Russell Island QLD 4184	Impact Assessment	21/06/2016	Development Permit	5
MCU013756	Dwelling House	Category1	Joh Domingo	12 Wilson Esplanade, Redland Bay QLD 4165	Code Assessment	23/06/2016	Development Permit	5
BWP003579	Design & Siting - Dwelling	Category1	Bartley Burns Certifiers & Planners	36 Vanstone Way, Redland Bay QLD 4165	ConRef	23/06/2016	Approved	6
BWP003539	Design and Siting - Domestic Outbuilding and Additions	Category1	Aaron Tate Purnell	42 Amaryllis Street, Alexandra Hills QLD 4161	ConRef	20/06/2016	Approved	8
BWP003584	Retaining Wall & Fence > 2m	Category1	Andrew Douglas Paterson Tamara Louise Paterson	4 Rosella Street, Wellington Point QLD 4160	Code Assessment	21/06/2016	Development Permit	8

Application	Description	Category	Applicant	Property Address	Application Type	Decision Date	Decision	Division
BWP003598	Design & Siting - Carport, Garage and Patio Alteration	Category1	The Certifier Pty Ltd	17-19 Currawong Drive, Birkdale QLD 4159	ConRef	22/06/2016	Approved	8
BWP003603	Design and Siting - Dwelling	Category1	Platinum Building Approvals	106-108 Delancey Street, Ormiston QLD 4160	ConRef	23/06/2016	Approved	8
BWP003597	Design and Siting - Dwelling House	Category1	Building Code Approval Group Pty Ltd	81 Quarry Road, Birkdale QLD 4159	ConRef	20/06/2016	Approved	10
<b>Category 2</b>								
MCU013375	Aged Persons and Special Needs Housing	Category2	Planning Initiatives	111-115 Smith Street, Cleveland QLD 4163	Permissible Change	20/06/2016	Development Permit	2
MCU013742	Community Facility	Category2	Development Solutions Qld	Beachwood Street Park, 72-106 Bankswood Drive, Redland Bay QLD 4165	Code Assessment	21/06/2016	Development Permit	6
MCU013754	Veterinary Surgery	Category2	Powercat Partners Pty Ltd Project Urban	101 Valley Way, Mount Cotton QLD 4165	Code Assessment	22/06/2016	Development Permit	6
OPW002048	Bulk Earthworks - Stockpiling of fill onsite	Category2	Sutgold Pty Ltd	38 Gordon Road, Redland Bay QLD 4165	Code Assessment	23/06/2016	Development Permit	6
MCU013533	Multiple Dwellings (12 Units)	Category2	Hometown Villas	100 Finucane Road, Alexandra Hills QLD 4161	Permissible Change	21/06/2016	Development Permit	8
MCU013330	Indoor Recreation Facility	Category2	Samuel Thomas Duncan	Capalaba Hub, 178-182 Redland Bay Road, Capalaba QLD 4157	Permissible Change	20/06/2016	Development Permit	9
MCU013712	Multiple Dwellings x 6	Category2	LXB Investments Pty Ltd as Trustee	12 Mary Street, Birkdale QLD 4159	Impact Assessment	20/06/2016	Development Permit	10



**11.2.2 APPEALS LIST CURRENT AS AT 11 JULY 2016**

**Objective Reference:** A124442  
Reports and Attachments (Archives)

**Authorising Officer:**   
Louise Rusan  
General Manager Community & Customer Services

**Responsible Officer:** David Jeanes  
Group Manager City Planning & Assessment

**Report Author:** Emma Martin  
Acting Service Manager Planning Assessment

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**PURPOSE**

The purpose of this report is for Council to note the current appeals.

**BACKGROUND**

Information on appeals may be found as follows:

**1. Planning and Environment Court**

- a) Information on current appeals and declarations with the Planning and Environment Court involving Redland City Council can be found at the District Court web site using the "Search civil files (eCourts) Party Search" service: <http://www.courts.qld.gov.au/esearching/party.asp>
- b) Judgements of the Planning and Environment Court can be viewed via the Supreme Court of Queensland Library web site under the Planning and Environment Court link: <http://www.sclqld.org.au/qjudgment/>

**2. Department of Infrastructure, Local Government and Planning (DILGP)**

The DILGP provides a Database of Appeals (<http://www.dlg.qld.gov.au/resources/tools/planning-and-environment-court-appeals-database.html>) that may be searched for past appeals and declarations heard by the Planning and Environment Court.

The database contains:

- A consolidated list of all appeals and declarations lodged in the Planning and Environment Courts across Queensland of which the Chief Executive has been notified.
- Information about the appeal or declaration, including the appeal number, name and year, the site address and local government.

**ISSUES**

<b>1.</b>	<b>File Number:</b>	Appeal 2675 of 2009 - (MC010624)
<b>Applicant:</b>		<b>L M Wigan</b>
<b>Application Details:</b>		Material Change of Use for residential development (Res A & Res B) and preliminary approval for operational works. 84-122 Taylor Road, Thornlands.
<b>Appeal Details:</b>		Applicant appeal against refusal.
<b>Current Status:</b>		A minor change to the application was allowed by the Court on 4 November 2015. Mediation is scheduled for 22 July 2016 with the matter listed for review on 27 July 2016.

<b>2.</b>	<b>File Number:</b>	Appeal 3641 of 2015 - (MCU012812)
<b>Applicant:</b>		<b>King of Gifts Pty Ltd and HTC Consulting Pty Ltd</b>
<b>Application Details:</b>		Material Change of Use for Combined Service Station (including car wash) and Drive Through Restaurant 604-612 Redland Bay, Road, Alexandra Hills.
<b>Appeal Details:</b>		Applicant appeal against refusal.
<b>Current Status:</b>		Appeal filed in Court on 16 September 2015. Without Prejudice Meeting held December 2015. Direction orders obtained 18 February 2016. Mediation held on 9 March 2016. The matter is listed for review on 29 July 2016.

<b>3.</b>	<b>File Number:</b>	Appeal 4541 of 2015 (ROL005873)
<b>Applicant:</b>		<b>Loncor Properties Pty Ltd</b>
<b>Application Details:</b>		Reconfiguring a Lot (1 into 43 lots) 35-41 Wrightson Road, Thornlands.
<b>Appeal Details:</b>		Applicant appeal against refusal.
<b>Current Status:</b>		Appeal filed in Court on 20 November 2015. Orders to progress to October 2016 hearing.

<b>4.</b>	<b>File Number:</b>	Appeals 4940 of 2015, 2 of 2016 and 44 of 2016 - (MCU013296)
<b>Applicant:</b>		<b>Lipoma Pty Ltd, Lanrex Pty Ltd and Victoria Point Lakeside Pty Ltd</b>
<b>Application Details:</b>		Preliminary Approval for Material Change of Use for Mixed Use Development and Development Permit for Reconfiguring a Lot (1 into 2 lots) 128-144 Boundary Road, Thornlands.
<b>Appeal Details:</b>		Submitter appeals against approval.
<b>Current Status:</b>		Appeals filed in Court on 18 December 2015, 4 January 2016 and 6 January 2016. Directions orders obtained 19 February 2016. Trial will be held in August 2016.

<b>5.</b>	<b>File Number:</b>	Appeal 2082 of 2016 - (MCU013558)
<b>Applicant:</b>		<b>John Munro Sinclair</b>
<b>Application Details:</b>		Material Change of Use for Rooming Accommodation 4 Wardley Street, Capalaba
<b>Appeal Details:</b>		Applicant appeal against Council refusal.
<b>Current Status:</b>		Appeal filed in Court on 31 May 2016. Mediation scheduled for 15 July 2016.

**OFFICER'S RECOMMENDATION  
COUNCIL RESOLUTION**

**Moved by:** Cr P Mitchell  
**Seconded by:** Cr J Talty

**That Council resolves to note this report.**

**CARRIED 11/0**


Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

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**11.2.3 ECONOMIC DEVELOPMENT ADVISORY BOARD UPDATE REPORT**

**Objective Reference:** A124442  
Reports and Attachments (Archives)

**Attachment:** [Redlands Business Survey 2015 – Technical Report \(University of Queensland\)](#)

**Authorising Officer:**   
Louise Rusan  
General Manager Community and Customer Services

**Responsible Officer:** Kim Kerwin  
Group Manager Economic Sustainability and Major Projects

**Report Author:** Noreen Orticio  
Research Economist

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**PURPOSE**

The purpose of this document is to present a report to Council on the first formal meeting of the Redland City Economic Development Advisory Board (the Advisory Board) as specified in the Terms of Reference.

**BACKGROUND**

Redland City Council has formed an Economic Development Advisory Board as part of its commitment to increasing the City's economic capacity through business retention and growth and employment generation.

The business and broader community will play an important role in the development of the City's economic capacity. Council acknowledges the need to build a stronger partnership with the business community to implement and deliver on the objectives of Economic Development Framework. The Advisory Board is the crystallization of that partnership.

The Advisory Board's expertise will strengthen the links between Redland City Council and businesses in identified industry and employment growth sectors. More importantly, the Advisory Board will provide strategic advice on the implementation of the Economic Development Framework through industry action plans which will be developed with input from industry and guidance from the Advisory Board.

The Advisory Board is chaired by Samantha Kennedy, Director of Optus Strategy and Innovation. The Mayor sits on the Advisory Board as Council's advisory representative. The other members of the Advisory Board are:

- Dr John O'Donnell, former CEO of Mater Hospitals and Health Services.
  - Catherine O'Sullivan, Pro Vice Chancellor, Pathways and Partnerships, Bond University.
  - Jerry Harris, former Executive Director of News Corporation Australia.
  - Jordan Duffy, local young entrepreneur and Director of Innovation, Buckham & Duffy Consultants.
-

- Terry Morris, Chairman and Managing Director, Morris International (owner of Sirromet Winery and other companies).

## ISSUES

### Advisory Board Meeting 23 June 2016

After a successful induction meeting on 20 May 2016, the first formal meeting of the Advisory Board was held on 23 June 2016 and was aimed at identifying economic priorities and providing recommendations to Council on these priorities. The meeting agenda consisted of presentations from across Council in order to provide the Advisory Board with a detailed understanding of the City's economy and key projects aimed at delivering sustainable economic growth. Advisory Board meeting minutes will be posted to Council's website.

A brief overview of the meeting outcomes is discussed below:

- Industry Sector Profiles

Sector analyses of the three (3) key industry growth sectors (health care and social assistance, education and training, and manufacturing) in the Redlands were presented and discussed.

The sector analyses highlighted the economic drivers and trends of each sector including revenue contribution, employment levels and future directions. Opportunities for the sectors that take into account social, economic and political conditions both locally and nationally were analysed. Barriers that might potentially impact on growth in each of the sectors were identified.

- SMART Cities Initiative

A draft Smart Cities Framework was presented based on the Federal Governments "Smart Cities Plan". The framework utilises three pillars: Smart Policy, Smart Investment and Smart Technology. One of the primary objectives of the framework is to better position Council to participate in a range of Government initiatives including the "City Deal" model being promoted by the Federal Government.

It seeks to create a co-ordinated approach to city-investment that enables economic development, targeting high value outcomes that align with Council's economic vision; a more sophisticated understanding and use of value capture mechanisms and partnerships to deliver key projects; and a suite of smart technology tools that enriches the organisation and the city.

- UQ Growing Business in the Redlands survey in 2015 (refer attachment for full report).

The Redlands Business Survey 2015 was initiated as a follow-up study to the survey conducted in 2013 on growing businesses in the Redlands. The 2013 survey findings (the report was tabled with the Economic Development Framework in February 2015) indicated a number of areas that required further investigation, including a focus on the growth motivations of business owners, the extent to which the firms were embedded in the Redlands region, additional barriers to growth that are specific to Redlands and an increased focus on exit plans and intentions.

The aim of the 2015 survey was to understand how business conditions have changed over the two year time period, especially for those businesses that were surveyed in both time periods. The key findings and recommendations from the 2015 report are:

- Redlands' small business is largely characterised by lifestyle businesses and have older owners compared to the national average;
  - Internet access and performance has increased as a barrier to meeting business objectives;
  - Skilled labour availability has increased as a barrier to doing business in the city. This however is appeared to be mostly associated with the construction sector and is associated with the upswing in the housing sector;
  - Continued diversification of the economy is a good strategy to insulate the region from the boom bust cycle associated with housing construction;
  - Office space did not appear as an issue in the 2015 survey amongst resurveyed participants;
  - Enabling growth-oriented businesses to achieve their goals while remaining in the region should be a priority for council's economic strategy;
  - Redlands should aim for a greater population with a wide variety of housing options to support a diverse workforce; and
  - Transport connectivity with other regions in SEQ will also help employers attract employees.
- Future Redland Economic Vision

At the request of the Advisory Board, an agenda item was included for discussion on the economic vision for Redland. The discussion emphasised the need to align a vision with community aspirations while highlighting Redlands' assets and strengths. The Advisory Board was informed that Councillors are undertaking strategic visioning.
  - Priority Development Area and Redland Investment Corporation

The Board was briefed by the Chief Executive Officer of the Redland Investment Corporation on the role of the Corporation including an overview of the Toondah Harbour Priority Development Area.

As identified in the Terms of Reference, the Advisory Board was established to provide advice to the Mayor and Councillors on progress with implementation of the Economic Development Framework. The success of the Economic Development Framework will be largely dependent on the activities that facilitate growth in the identified key industry sectors of the Redlands economy.

Action plans will be developed for each sector detailing the initiatives and activities that will be undertaken in order to achieve key growth objectives as well as the level of investment required. These 'live' Action Plans will be used to drive activity, monitor progress and report on outcomes.

An action plan developed for the Tourism Sector was endorsed by Council in 2015 and is being progressively implemented. Action plans for the remaining sectors are proposed to be developed over the next 2-3 years.

### Advisory Board Recommendations:

The Advisory Board considered the opportunities for economic growth provided through the key sectors and recommended the following:

Council prioritise the development of action plans for the Health Care and Social Assistance and Education and Training sectors. These industry sectors are viewed as economic foundations for Redland City and are value-add and employment generators for the City. The Advisory Board stated the importance of ensuring strong integration and linkages across both sectors.

Early initiatives which Council can consider to drive economic outcomes in these sectors include:-

- Harnessing opportunities in the Medical technology manufacturing sub sector;
- Leveraging off the National Disability Insurance Scheme (NDIS) which will create changes in the way disability services are delivered in the Redlands; It will provide a significant opportunity for the sector to grow in the medium and long term driven by the development of innovative business models, partnerships, harnessing technology and using economies of scale;
- Attracting health specialists in the city; and
- Supporting creation, retention and growth in small to medium scale enterprises (SMEs) through research, innovation, education and entrepreneurial initiatives.

The Advisory Board also recommended that Council:

- Reviews the current and planned broadband infrastructure for the city and identifying gaps in both coverage and capacity. The National Broadband Network (NBN) is a key economic development enabler for the city and it is imperative to review the current and proposed broadband infrastructure and to identify gaps in the Redlands that would benefit from additional infrastructure;
- Invite School Principals to attend civic functions welcoming international delegations under the International Policy – Strategic Economic and Community Relationships; and
- Develop strategic relationships with top businesses in the Redlands.

## **STRATEGIC IMPLICATIONS**

### **Legislative Requirements**

There are no legislative requirements that affect the outcome of this report.

### **Risk Management**

Identified risks to successful economic development in the City include:

- Failure to work in partnership with the business community, and other levels of government which will inhibit the delivery of the Economic Development Framework; and
- Failure to develop and implement industry sector Action Plans in a timely manner.

### **Financial**

Budgets have been developed to fund the operation of the Advisory Board and to develop two industry sector action plans this financial year.

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**People**

The Economic Sustainability and Major Projects Group provides secretariat support to the Advisory Board and is responsible for developing and implementing the additional industry sector action plans. The Communications, Engagement and Tourism Group has responsibility for implementing the Tourism Sector Action Plan.

**Environmental**

There are no identified environmental impacts.

**Social**

A strong and vibrant economy allows a community to reinvest its wealth back into the society that helped contribute to that growth. The well-being of people, the environment and the economy are intricately linked. A strong and sustainable economy will be integrated and deliver benefits from across a range of sectors, through all parts of the city and across all demographic boundaries.

**Alignment with Council's Policy and Plans***Relationship to Corporate Plan*

The Advisory Board through its role of monitoring the implementation of the Redland City Economic Development Framework 2014-2041 supports Council's strategic priority of delivering a supportive and vibrant economy.

In addition, the Redland City Economic Development Framework 2014 – 2041 will also:

- Provide opportunity for business investment and local employment;
- Develop a supportive vibrant economy that delivers business opportunities;
- Promote local jobs; and
- Strengthen the tourism industry.

Development and implementation of industry sector action plans is a key outcome of the Corporate Plan.

**CONSULTATION**

The Economic Sustainability and Major Projects Group consults with other areas of Council as required in providing secretariat support to the Advisory Board. The following areas were specifically consulted for this Advisory Board meeting:

- Communications, Engagement and Tourism Group; and
- Redlands Investment Corporation.

**OPTIONS**

1. Note the report to Council from the Economic Development Advisory Board meeting of 23 June 2016 and the recommendations contained therein.
2. That Council requests additional information on the Economic Development Advisory Board meeting of 23 June 2016.



**COUNCIL RESOLUTION**

Moved by: Cr P Mitchell

Seconded by: Cr J Talty

That Council resolves to:

1. Note the report to Council from the Economic Development Advisory Board meeting of 23 June 2016;
2. Confirm the following Industry Sector Action Plans be undertaken in the 2016/17 financial year;
  - a. Health Care and Social Assistance;
  - b. Education and Training;
3. Prioritise a review of existing and proposed high speed broadband infrastructure for Redland.

**CARRIED 10/1**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson and Williams voted FOR the motion.

Cr Bishop voted AGAINST the motion.



# Redlands Business Survey 2015

## Technical Report

**Dr Anna Jenkins**

**Assoc-Prof John Steen**

**Assoc-Prof Martie-Louise Verreyne**

### **Executive Summary**

This report summarises the methods and findings on the two year follow up survey of the small business community in Redlands. The report provides a detailed analysis of the owner-managers of the firms, their motivations for running their businesses, potential barriers to growth, questions specific to Redlands aimed at understanding how embedded the firms and their owners are in the region and their alternative employment options and exit plans.

The study was initiated as a follow-up study to the survey conducted in 2013 on growing businesses in Redlands. To enable comparison between 2013 and 2015, re-surveying the firms which participated in 2013 was prioritised in the data collection process. Also, to enable comparisons and track changes in the business conditions some questions appeared in both surveys.

The results and analysis of the 2013 survey pointed to a number of areas for further investigation. These included a more detailed focus on the growth motivations of business



owners, extent the firms were embedded in the Redlands region, additional barriers to growth that are specific to Redlands and increased focus on exit plans and intentions.

A main finding from this study is that internet access and performance has increased as a barrier to meeting business objectives and businesses are finding it increasingly harder to hire skilled labour. Resurveyed firms (2015–2013) had also increased their intentions to exist the business but this probably reflects a natural progression through the business cycle rather than problems in the local economy. Owners of small businesses in Redlands tend to be older than the Australian average and are likely to cite lifestyle reasons for being in Redlands. While this makes these businesses likely to stay they also have reduced prospects of creators of jobs and wealth in the region. These findings have significant implications for economic policy in the Redlands.

## **1. INTRODUCTION**

In 2013 Redland City Council engaged UQ Business School to conduct a survey of small businesses in the Redlands, particularly around their future intentions for the business and perceived barriers to success. In total, 120 businesses responded to the survey and the findings were circulated amongst council and the local business community, including presentations at business breakfasts.

The aim of the 2015 survey was to understand how business conditions have changed over the two year time period, especially for those businesses that were surveyed in both time periods.

The intention of the report is to generate findings to guide the economic development strategy for Redlands. To this end, key findings and recommendations are presented at the end of the report.

## **2. RESEARCH METHOD**

The Redland City Council and Redland City Chamber of Commerce database was used to generate a random sample of firms to survey. The surveys were completed by telephone in order to maximise the response rate. Firms which had participated in the survey in 2013 were prioritised. Attempts to reach these firms were made twice daily during the three week survey period. In total 31 firms which had participated in the 2013 survey were reached and agreed to participate in the follow-up study to enable direct comparisons between 2013 in 2015. In addition the 2015 survey included questions from 2013 and enabled a comparison across the sample.

However, the most accurate reflection of true change is the 31 businesses that were surveyed in both time periods.

Questions asked were about firm and owner demographics; innovation and growth; business and owner-manager embeddedness, and, exit intentions and planned exit routes. Data were analysed using descriptive statistics, chi-square tests of difference and logistic regressions. Many of these techniques have been used previously in reports for Queensland Government and Brisbane City Council.

The survey was conducted in November 2015 under the conditions of the University of Queensland research ethics. The survey was explained to the respondents at the beginning of the interview and business owners were guaranteed anonymity. The response rate for the survey was slightly over 50%.

### **3. FINDINGS**

The results of the report are presented as follows:

- (1) A general overview is provided of the owner-managers and the businesses they run.
- (2) Innovation and growth
- (3) Embeddedness in Redlands
- (4) Reasons for being in Business
- (5) Exit intentions and employment options
- (6) Comparisons between 2013 and 2015 surveys

#### **3.1 About the business owner-managers**

All of the surveyed business owners held an ownership stake in the company and were active in the daily running of the business. Approximately 45% of the respondents were the sole owners of their companies, 45 percent owned 50 percent of their company and the remaining 10 percent had ownership stakes between 15 and 33 percent. Thirty percent of the firms were run as a sole ownership, 20 percent as a partnership and the remaining fifty as limited liability companies.

Twenty seven percent of the owner-managers were female. This is less than the Australian average where one third of businesses are owned and run by females (ABS, 2011). The average age of the owner-managers was 55 with the youngest being 25 and the oldest 88. This average is older than the Australia average, which is 47 (ABS, 2011). The average number of years in the business was 18. Just under half of the owner-managers had high school qualifications (either year 10 - 27 percent or year 12 – 18 percent) while the remaining owner managers had some form of post high school qualifications. The most common with either a TAFE certificate or diploma 24 percent, followed by undergraduate qualifications 15

percent and postgraduate qualifications – 12 percent. Just over forty percent of the owner-managers had previous start-up experience. Of these 40 percent most had previously started one or two businesses.

**Key facts: Redlands business owners surveyed are older than the Australian average but around half have owned other businesses and also own their business outright.**

The average business in our sample employed six full time equivalent staff (FTEs), with five percent employing more than 20 FTEs. Half were sole ownerships or partnerships, and four percent were franchisees. Twenty-two percent saw themselves as family businesses.

The industries most represented in our data were retail (24.2%), construction (16.7%) and manufacturing (11.7%). Adding up different types of services meant that more than forty percent of firms were services firms (see Figure 1).

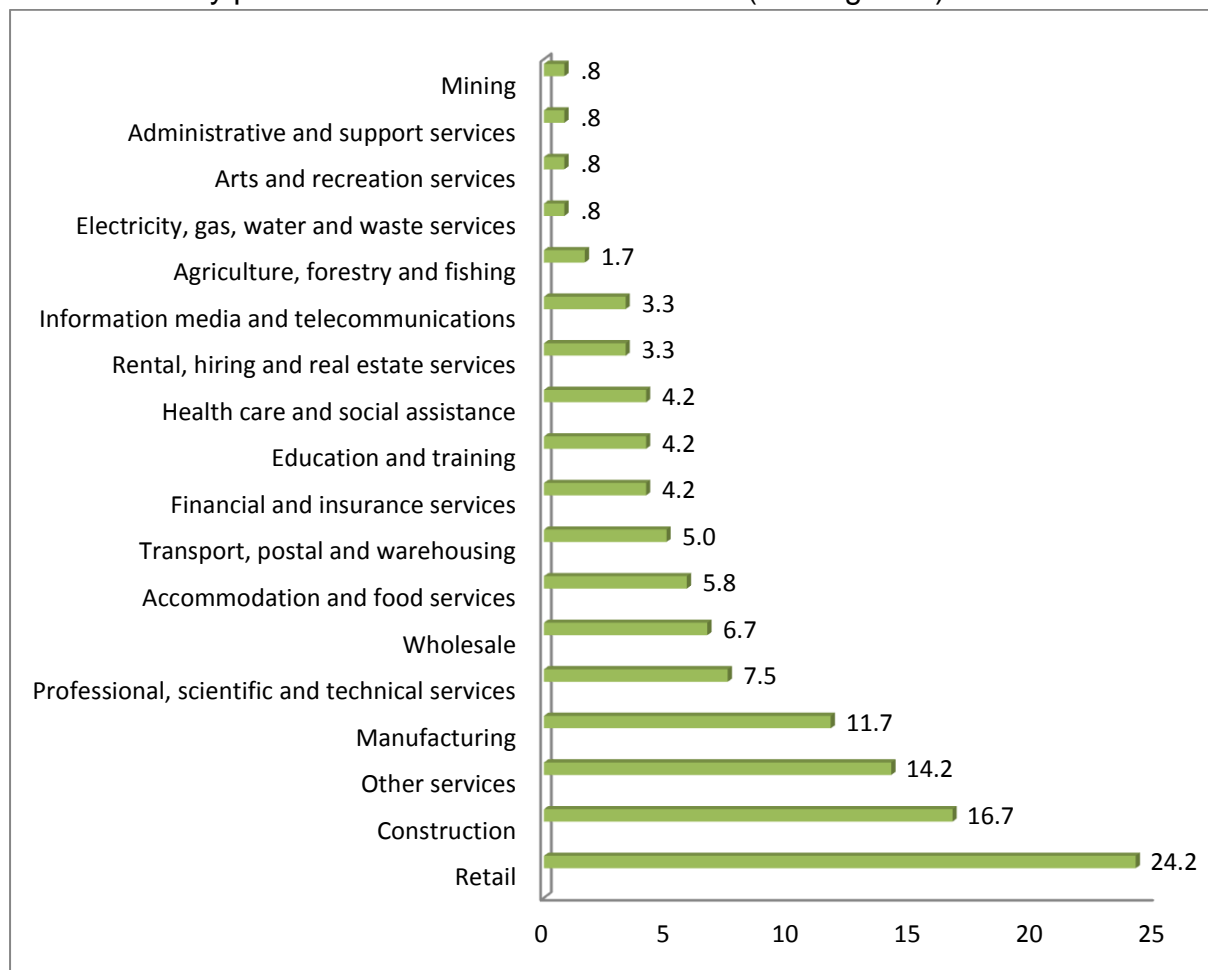


Figure 1. Self-reported industry categories of firms in the sample (% of sample shown)

Most of the businesses had turnover of between 1 million and 5 million dollars. The exact breakdown of the annual turnover is shown in Figure 2 below – Annual Turnover.

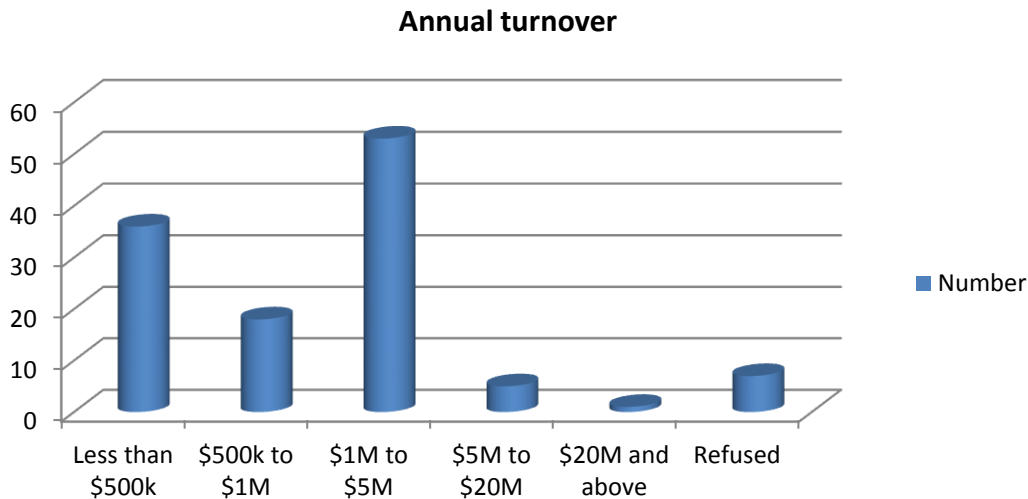


Figure 2. Turnover distribution of surveyed firms (% of sample shown)

**Key Facts: Construction, retail and services accounted for over half of the firms in the survey. The most common category of business turnover was \$1 million – 5 million and the average number of employees was 6 FTE.**

### 3.2 Innovation and Growth

We focused on the extent the firms were engaging in innovation. We broke this down to (1) innovation that is new to the industry where the firm is adding value to processes, products or services and (2) the extent that the businesses were introducing new product and service offerings but not adding any significant value to those products or services. The latter captures the extent the owner-managers are responding to changes in the market. In regards to growth we focused on (1) the growth motivation of the owner-managers; (2) their business objectives; and (3) the barriers to growth

Very few of the firms were engaged in innovation that was new to their industries, which is consistent with the construction, retail and services dominance. Only three firms had claimed an R&D tax incentive in the last three years. These three firms were focusing on innovations that are new to their industries. Two thirds of the companies reported introducing no new innovations to their businesses while the remaining third had introduced new products or services to their offerings, however, very few of these new offerings involved value adding by the business.

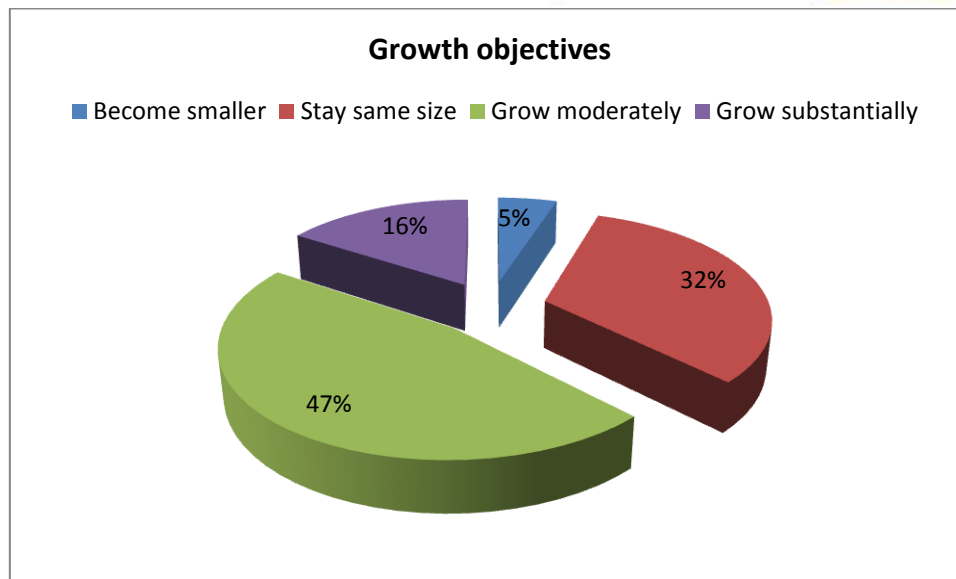


Figure 3. Growth objectives of surveyed firms

In terms of growth objectives, most firms wanted to stay the same size (see Figure 3) – 32.5 percent or grow moderately -47 percent. Sixteen percent of firms wanted to grow substantially while 5 percent planned to become smaller. The owner-managers placed considerable importance on growing through profits with 58 percent having this as a very important business objective and 24 percent as an important business objective. In contrast, growth in employees was a very important business objective for 14 percent of the owner-managers and important to 6 percent of the owner-managers. This suggests that the owner-managers are focusing more on firm profitability than firm employee growth.

Maintaining and increasing customer satisfaction was a much more important business objective than increasing or maintaining market share. Eighty percent of owner-managers ranked increasing customer satisfaction as a very important business objective whereas increasing market share was ranked as very important by only 45 percent. This suggests that the owner-managers are focusing on satisfying existing customers but are less interested in serving new customers.

The cost and performance of the internet was the most significant barrier to growth, followed by government regulation and council zoning and then access to skilled labour. An overview of the barriers to growth and their averages are shown in Figure 4 below. As shown in section 3.8, cost and performance of the internet has become an even stronger barrier to growth since the businesses were surveyed two years ago.

Access to skilled labour highlights the importance of ensuring the Redlands can attract skilled labour to the region, underscoring the need for Redlands to be connected to the greater Brisbane region in regards to the movement of people. In

contrast, access to markets for goods and services was not a significant barrier to growth for businesses suggesting that the focus for connectivity of the Redland's region should be on the movement of people rather than the movement of goods.

Firms that were growth motivated (signalling that a doubling in size would be viewed as positive or very positive) were more likely to have business connectivity (customers) with South East Queensland and cite access to good transport options within Redlands as barriers to growth.

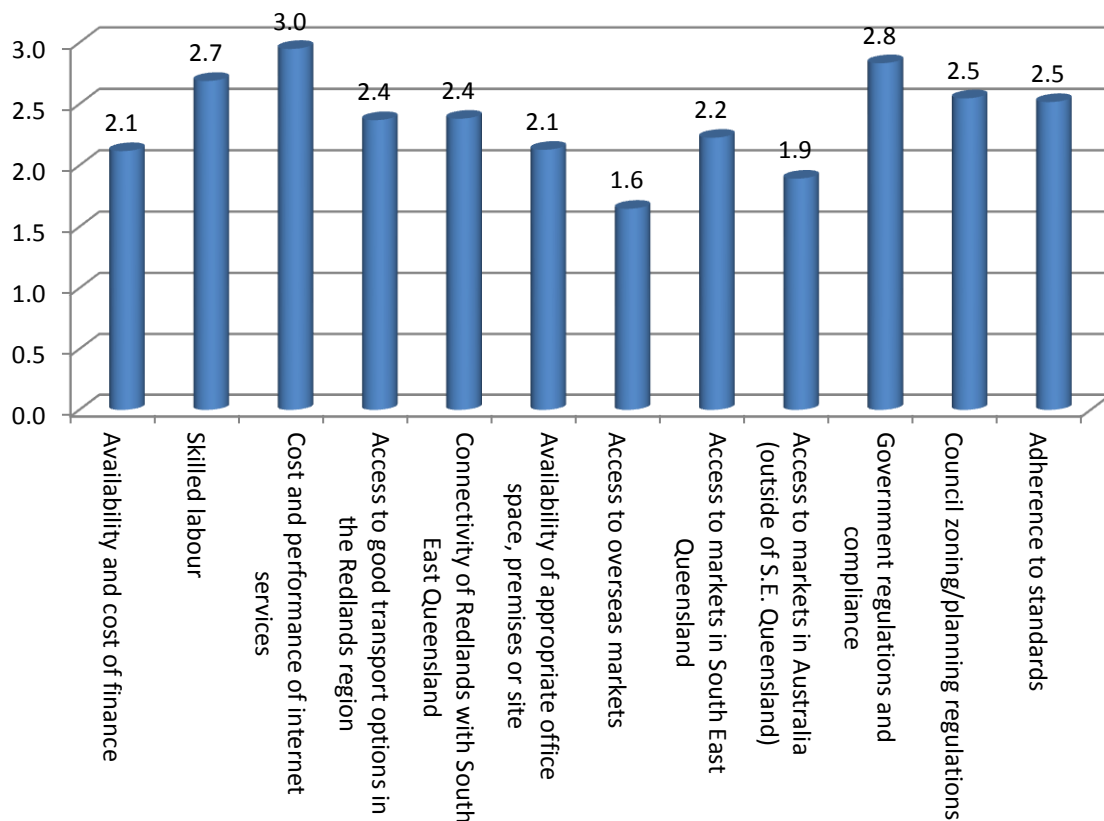


Figure 4. Self-reported barriers to growth

**Key Facts: Few businesses are introducing cutting-edge innovations and the majority of businesses are aiming to grow but not through taking on more employees.**

### 3.3 Embeddedness in Redlands

We focused on the extent that the surveyed businesses were embedded in the Redlands region in the following ways (1) the extent that businesses sales were to customers in Redlands area; (2) the number of customers and suppliers that were



close family or friends; (3) the extent that the owner-managers were located in the region for personal reasons.

On average, fifty five percent of sales were made to customers in the Redlands region. Twenty percent of firms predominately served the local market making 90 percent or more of their sales to customers in the Redlands region. In contrast, twenty five percent of firms predominately sold to customers outside of the Redlands region with less than 10 percent of their sales made to local customers. Very few of the firms made sales to customers located overseas. Thirty nine percent of the owner-managers do not need to leave the Redlands region for business purposes while five percent of the owner-managers left the region 10 or more times per week for business purposes.

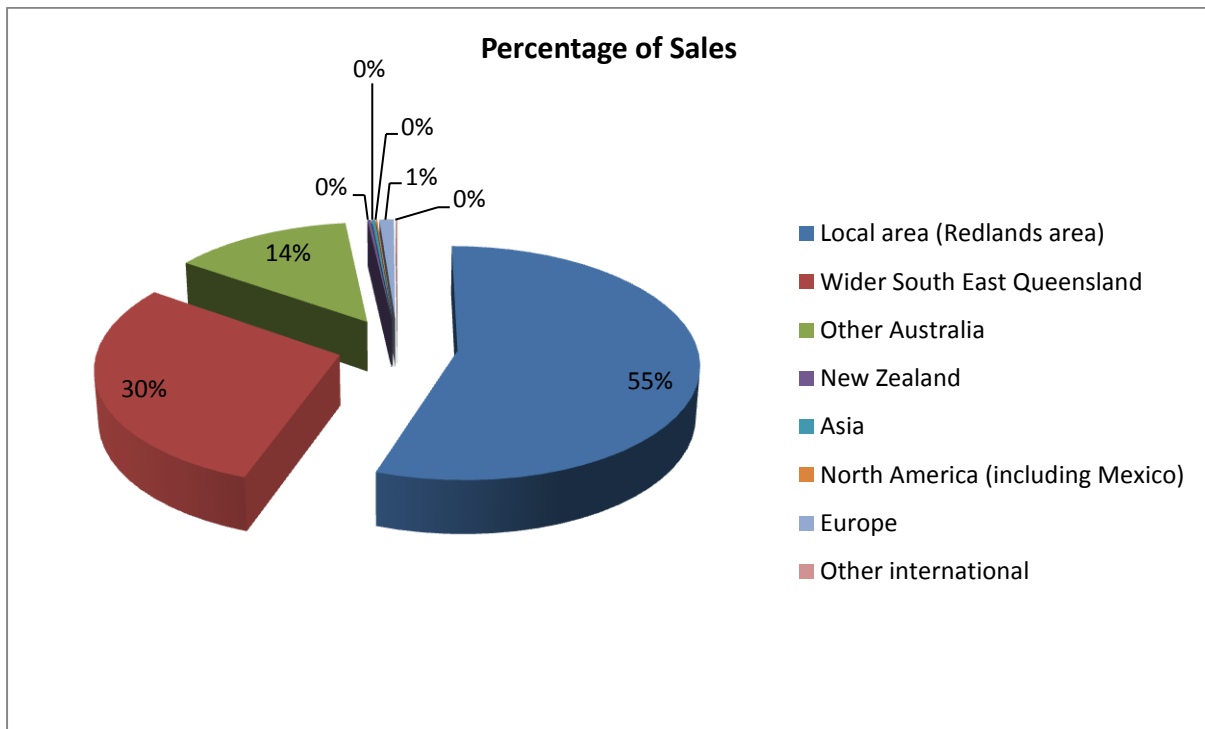


Figure 5. Location of sales reported by surveyed businesses

Most businesses did not sell goods or services to other businesses where the owners of the businesses were family members. However, twenty percent of owner-managers had 10 percent or more of their sales to companies where the owners of the companies are family members. 15 percent of the owner-managers sold products to businesses where the owners of those businesses were close friends. This reflects a fairly tight business network exists in the Redlands that is often based on family and friendship connections.

The majority – 86 percent – of the owner-managers lived in the Redlands City Council area. Of these owner-managers, 50 percent had lived in the area for longer than 25 years. The most frequently cited reason for living in Redlands was because it offered a good lifestyle with nearly 50 percent of respondents stating that this the crucial reason for choosing to live in Redlands. In Figure 6 below we show the average importance of reasons the owner-manager may choose to live in Redlands. The questions were asked on a five point scale with 5 – crucial and 1 – not at all.

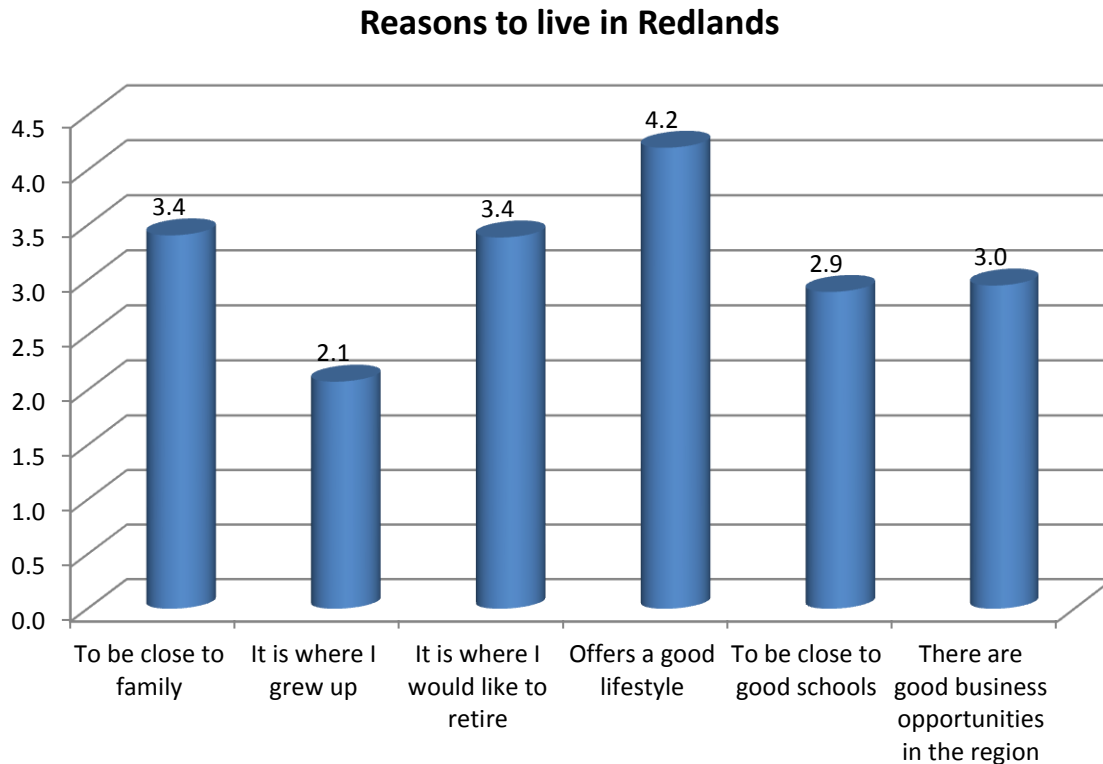


Figure 6. Self-reported reasons for living in Redlands

**Key Facts: Redlands is a highly networked small business community with many businesses selling to family and friends. The majority of businesses sell to the local area. Lifestyle and family are cited as the main reasons to own a business in Redlands.**

### 3.4 Reasons for being in Business

The owner managers were highly motivated to be in business for a number of reasons. The most important reasons were to set and pursue own objectives and to contribute to the well-being of their stakeholders. It is also important to note ‘to avoid unemployment’ was ranked at similar importance to other more positive reasons such as to create something new and distinctive and to increase the value of the business.

Owner-managers who were running businesses to avoid unemployment were more likely to exit their businesses to start paid employment. However, they had similar growth motivations to the owner-managers and were no more likely to be a local business with sales predominately in the Redlands region than other businesses in the sample.

Figure 7 shows that the reasons for being a small business owner are varied and no single reason stands out above the others.

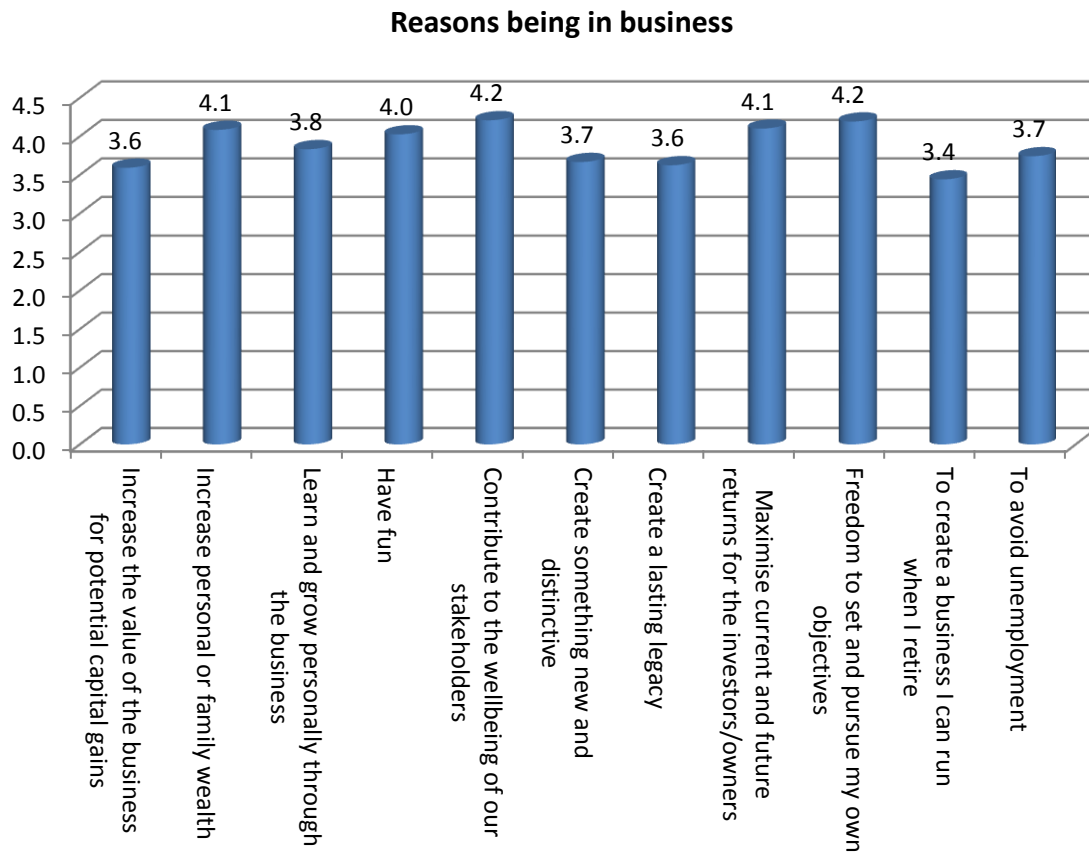


Figure 7. Self-reported reasons for being in business

**Key Fact: Business owners are motivated by a variety of factors to be self-employed. No singular reason stands out from the survey.**

### 3.5 Exit intentions, exit routes, and relocation

Nearly half of the owner-managers – 47 percent, had an exit strategy in place. Of these owner-managers with an exit strategy developed, 50 percent of them had developed it more than five years ago.

The owner-managers who had developed exit strategies five or more years ago were concerned that their children/family members would not be interested in taking over the business and were less interested in selling to individuals outside of the family.

This suggests that the owners of these businesses founded the businesses with the intention to pass them onto their children.

The preferred exit routes were selling to another individual followed by selling to another company. The biggest challenges the owner-managers envisioned when it came to exiting were finding a buyer and selling the business at a reasonable price. In particular owner-managers who were concerned about finding a buyer were also concerned about being able to sell their businesses at a reasonable price. However, they were not interested in exit planning assistance.

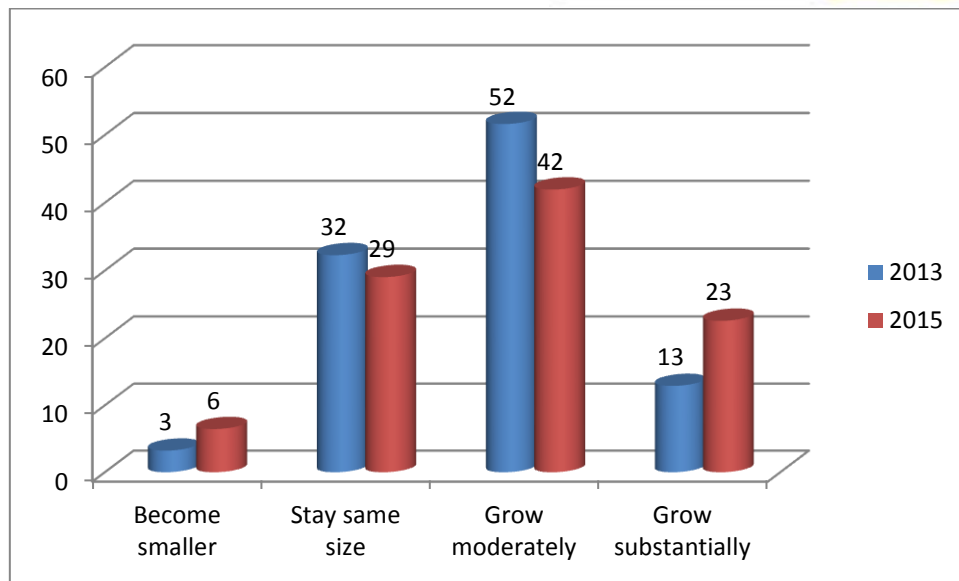
Owner-managers who planned to exit the business by transferring to family members were less likely to be considering selling their businesses to individuals outside of the family or to other companies. However, they were no more interested in succession planning than other firms. Owner-managers who ran businesses to avoid unemployment were more likely to exit their businesses to take up paid employment and yet were less likely to consider exiting their businesses within the next three years.

Firms that were growth motivated were more likely to be considering relocating out of the Redlands region. A greater percentage of their sales came from outside of the region. The owners of these businesses were less likely to be considering exiting their businesses. As expected businesses with the majority of their sales in the Redland region were less likely to be considering relocation. These businesses are more embedded in the region.

**Key Facts: The majority of small businesses have exit and/or succession plans which is positive for the local economy. Growth oriented firms are less likely to consider exiting but more likely to relocate out of Redlands.**

### **3.5 Comparison between 2013 and 2015**

Next we report the changes between the two surveys from the 31 businesses that reported in both years. Some key indicators including the growth intentions, location of sales, barriers to growth and exit likelihood were analysed by exploring data consisting of business that were interviewed in both years.

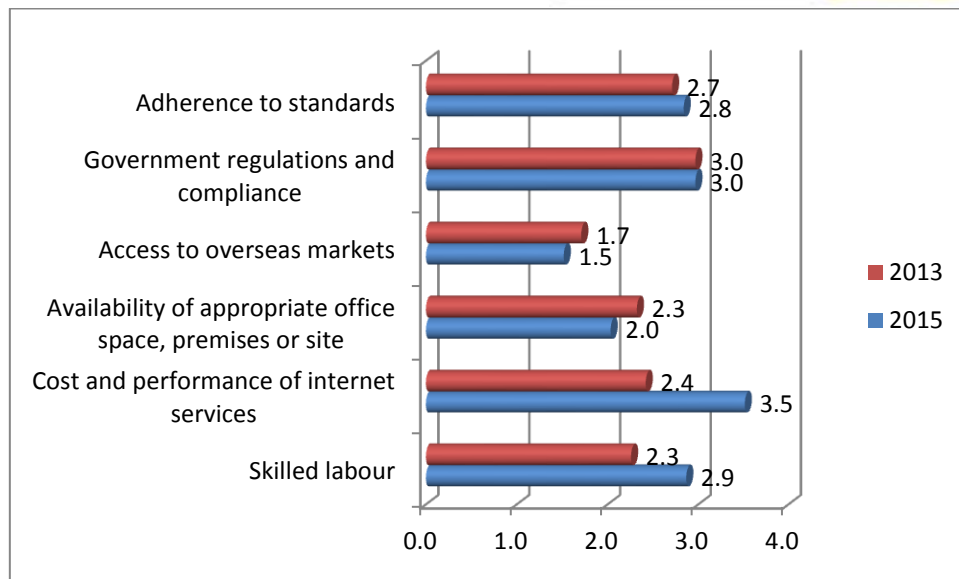


**Figure 8. Growth intention changes between 2013 and 2015 (% of sample)**

Most of the analysed business wanted to stay the same size or grow moderately. However, the percentage of firms that fell into these two catalogues decreased three and ten percent, respectively. In contrast, there were more firms aiming to grow substantially. However, these differences are not statistically significant when the chi-squared test is applied. Based on this sample there is no shift in growth intentions between 2013 and 2015 although the small sample size should be noted.

Regarding the perceptions about barriers to growth, the results from 31 resurveyed businesses show that there were statistical differences between two years in term of skilled labour and cost and performance of internet services.

The average score of skilled labour increased 0.6 points on the scale, which means that businesses felt that it was more difficult to hire skilled labour. In addition, the cost and performance of internet services was becoming a more crucial limitation. Furthermore, both these changes of two types of barriers are statistically different between 2013 and 2015.



**Figure 9. Barriers to meeting business objectives 2013-2015**

The average scores measuring the likelihood of exit of business show a statistical increase over the two years in all ways of exiting (except IPO), indicating that owner-managers were more likely to transfer their businesses to others including family members, employees or other individuals. This increase in exit intentions can be attributed to a combination of challenging economic conditions in the resources-dependent economy of Queensland and the aging of business owners and their businesses.

The increase in exit likelihood was statistically significant for independent sale to another individual, sale to another company, employment buyout and liquidation of assets. This suggests that the entrepreneurs are planning their eventual exit which increases the likelihood of the business continuance in the Redlands region.



**Figure 10. Changes in exist intentions from resurveyed firms (n=31)**

**Key Facts: Internet performance and skilled labour availability have increased as barriers to meeting business objectives over 2013-2015. Resurveyed businesses are also more likely to exit the business but are planning to do this in ways that retain business activity in the region.**

#### 4. Recommendations

As identified in the 2013 survey, Redlands small business is largely characterised by lifestyle businesses and have older owners compared to the national. While some businesses do have strong growth ambitions, these businesses are in the minority and are also likely to indicate intentions to leave the region.

While many small business owners are self-employed as a lifestyle choice if this is a dominant reason for being in business then the local economy will have limited growth prospects. Enabling growth-oriented businesses to achieve their goals while remaining in the region should be a priority for council economic strategy.

The internet remains a problem for small business and this problem is growing. The SEQ Lord Mayors have lobbied the Federal Government to address this problem and more pressure needs to be applied after the election.

Skilled labour availability has also increased as a barrier to doing business and Redlands should aim for a greater population with a wide variety of housing options to support a diverse workforce. Transport connectivity with other regions in SEQ will also help employers attract employees to commute to businesses located in Redlands as well as service customers in greater SEQ. This transport connectivity is an important part of supporting growth oriented businesses.

The increasing problem of finding people could be associated with the large number of construction firms in the sample and the upswing in housing construction from 2015 onwards and the flow on effect to the broader economy. As an economy, Redlands appears reliant on the housing and construction cycle, which has its own risks through the boom and bust nature of this industry. Diversification of the economy would be a good strategy to insulate the region from this cycle.

We did not find office space as an issue in this survey compared to 2013 but we believe that if this was a real barrier it would have shown up in the 2013-2015 resurveyed businesses as an increasing problem



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**11.3 INFRASTRUCTURE & OPERATIONS****11.3.1 DELEGATED AUTHORITY – COLLECTION, TRANSPORT AND PROCESSING OF GREENWASTE AND UNTREATED TIMBER, AND THE COLLECTION AND TRANSPORT OF TREATED TIMBER**

**Objective Reference:** A1829111  
Reports and Attachments (Archives)

**Authorising Officer:**   
Gary Soutar  
General Manager Infrastructure and Operations

**Responsible Officer:** Kevin Mcguire  
Group Manager Water and Waste Operations

**Report Author:** Robert Walford  
Service Manager RedWaste

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**PURPOSE**

This report seeks Council resolution to delegate authority to the Chief Executive Officer (CEO), under section 257(1)(b) of the *Local Government Act 2009* to accept the tender (T-1782-15/16-WST) for the collection, transport and processing of greenwaste and untreated timber, and the collection and transport of treated timber from Redland City Council's (RCC's) waste transfer stations and to make, vary and discharge the contract, and sign all relevant documentation.

**BACKGROUND**

The current arrangement with Wood Mulching Industries Pty Ltd for the removal and processing of greenwaste and untreated timber from RCC waste handling facilities commenced on 15 August 2011, has no further extension provision available and is due to expire on 14 August 2016.

**ISSUES**

RCC receives bulk unprocessed greenwaste, timber and treated timber from residential, commercial and Council sources. The material is stockpiled at Council's waste management facilities ready for collection, transport and processing.

RCC requires the ongoing collection, transportation and processing of greenwaste and untreated timber, and the collection and transport of treated timber from Council's waste management facilities. In 2015/16 Council managed 28,656 tonnes of greenwaste and untreated timber, and 5,085 tonnes of treated timber.

Council has determined that the most advantageous and operationally suitable method of delivering the service is to establish a preferred supplier arrangement, funded by a budget extending beyond one financial year.

On 22 June 2016, Council invited tenders for the collection, transport and processing of greenwaste and untreated timber, and the collection and transport of treated timber from RCC's waste transfer stations.

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Tender documentation was developed in accordance with section 104 Financial Management Systems, subsection (3) Sound Contracting Principles of the *Local Government Act 2009* with the objective of obtaining submissions from suitable entities who could demonstrate the ability to provide value for money and adequate capacity and capability to provide the required services.

The tender was advertised in the Redland City Bulletin on 22 June 2016 and on Council's website, and posted to QTenders. Additionally, the RedWaste Services Unit notified known greenwaste collection and processing businesses, QYAC and the SMBI Food Growers Group.

The invitation to tender (ITT) closed on 13 July 2016 with evaluations expected to be complete by 22 July 2016. The selection of preferred tenderer is expected to be completed by 29 July 2016 to allow for any negotiations prior to contract commencement on or near 15 August 2016.

In the unlikely event tender submissions fail to deliver against Council's objectives, the tender process may be brought to an end in part or full depending on the respondent submissions and the outcome of any post-tender negotiations.

Should this occur, alternative operational contingencies will be put in place until a subsequent procurement process completed.

The timely resolution to delegate authority to the CEO is required to ensure continued collection, transportation and processing of greenwaste product, and maximise available time to negotiate and mobilise a new contract.

## **STRATEGIC IMPLICATIONS**

### **Legislative Requirements**

The collection, transport and processing of greenwaste and untreated timber, and collection and transport of treated timber is undertaken in compliance with all relevant environmental and safety legislation.

### **Risk Management**

Due to the expected annual expenditure of this procurement activity, a probity advisor is available during the ITT process should they be required.

Appointing suitably qualified contractors for the services described above ensures Council complies with the intent of the *Environmental Protection Act 1994* reducing Council's corporate and environmental risk.

The tender evaluation plan contains operational and financial evaluation criteria to enable the evaluation panel to assess tender responses and propose the most suitably qualified tenderer, in addition to providing value for money and the required environmental outcomes.

The proposed contract to be made from Tender T-1782-15/16-WST are for a minimum term of two years and may be extended for an additional maximum three 1-year periods. The contract contains detailed and specific key performance indicators to support RedWaste contract management processes.

### **Financial**

Greenwaste disposal and treated timber transport costs for 2015/16 are estimated to be \$1,606,252 against a budget of \$1,606,120 (GST exclusive).

Sufficient budget has been allocated in the 2016/17 annual budget for the tendered services to account for a foreseeable increase in tendered rates against the existing contract. The proposed contract will be subject to annual consumer price index adjustments.

### **People**

The contract will be managed by the RedWaste Business Unit with current staffing levels.

### **Environmental**

The collection, transport and processing of greenwaste and untreated timber, and collection and transport of treated timber is undertaken in compliance with all relevant environmental legislation.

### **Social**

QYAC and SMBI Food Growers Group have been notified of the release of tender, should they wish to submit a response. There are no other social impacts identified.

### **Alignment with Council's Policy and Plans**

The proposed contract for the collection, transportation and processing of greenwaste and timber aligns to Council's Corporate Plan outcome of green living.

### **CONSULTATION**

Consultation has occurred between the following:

- General Manager Infrastructure & Operations;
- Group Manager Water & Waste Operations;
- RedWaste Service Manager;
- Principal Waste Planner; and
- Business Partnering Team.

### **OPTIONS**

1. That Council resolves to delegate authority to the Chief Executive Officer, under section 257(1)(b) of the Local Government Act 2009, to negotiate, make, vary and discharge the tender contract (T-1782-15/16-WST) for the collection, transport and processing of greenwaste and untreated timber, and the collection and transport of treated timber from Redland City Council's waste transfer stations and sign all relevant documentation.
2. That Council resolves to not delegate authority to the Chief Executive Officer, and request that a tender report be presented at the General Meeting on 10 August 2016 following evaluation and selection of a preferred tenderer.

### **OFFICER'S RECOMMENDATION COUNCIL RESOLUTION**

Moved by: Cr P Gleeson  
Seconded by: Cr P Mitchell

**That Council resolves to delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009*, to:**

- 1. Negotiate, make, vary and discharge the tender contract (T-1782-15/16-WST) for the collection, transport and processing of greenwaste and untreated timber, and the collection and transport of treated timber from Redland City Council's waste transfer stations; and**
- 2. Sign all relevant documentation.**

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

**11.3.2 DELEGATED AUTHORITY – PURCHASE AND REMOVAL OF SCRAP METAL FROM COUNCIL’S WASTE TRANSFER STATIONS**

**Objective Reference:** A124442  
Reports and Attachments (Archives)



**Authorising Officer:**  
Gary Soutar  
General Manager Infrastructure & Operations

**Responsible Officer:** Kevin McGuire  
Group Manager Water & Waste Operations

**Report Author:** Rob Walford  
Service Manager RedWaste

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**PURPOSE**

This report seeks Council resolution to delegate authority to the Chief Executive Officer (CEO), under section 257(1)(b) of the *Local Government Act 2009* to accept the tender (T-1783-15/16-WST) for the purchase and removal of scrap metal from Redland City Council’s (RCC’s) waste transfer stations and to make, vary and discharge the contract, and sign all relevant documentation.

**BACKGROUND**

The current arrangement with Sims Metal Management for the purchase and removal of scrap metal from RCC’s waste handling facilities commenced on 1 September 2011. All extension provisions have been utilised and the contract is due to expire on 31 August 2016.

**ISSUES**

RCC receives a range of scrap metals from residential, commercial and council sources. Scrap metal is also salvaged from other waste materials disposed of at the waste transfer stations. The material is stockpiled or loaded into bins at council ready for transport. Council is paid for total tonnes of each scrap metal type supplied to the contractor.

RCC requires the ongoing purchase and removal of scrap metal from Council’s waste management facilities. In 2015/16 Council managed 4,169 tonnes of scrap metal including general ferrous, high value non-ferrous, batteries and gas bottles.

Council has determined that the most advantageous and operationally suitable method of delivering the service is to establish a preferred supplier arrangement. On 29 June 2016, Council invited tenders for the purchase and removal of scrap metal from RCC’s waste transfer stations.

Tender documentation was developed in accordance with section 104 Financial Management Systems, subsection (3) Sound Contracting Principles of the *Local Government Act 2009* with the objective of obtaining submissions from suitable entities who could demonstrate the ability to provide value for money and adequate capacity and capability to provide the required services. The tender was advertised

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in the Redland City Bulletin on 29 June 2016 and on Council's website, and posted to QTenders.

The invitation to tender closed on 20 July 2016 with evaluations expected to be completed by 29 July 2016. The selection of preferred tenderer is expected to be completed by 12 August 2016 to allow for any negotiations prior to contract commencement on 1 September 2016.

In the unlikely event tender submissions fail to deliver against Council's objectives, the tender process may be brought to an end in part or full depending on the respondent submissions and the outcome of any post-tender negotiations. Should this occur alternative operational contingencies will be put in place until a subsequent procurement process completed.

The timely resolution to delegate authority to the CEO is required to ensure continued purchase and removal of scrap metal, and maximise available time to negotiate and mobilise a new contract.

## **STRATEGIC IMPLICATIONS**

### **Legislative Requirements**

The purchase and removal of scrap metal is undertaken in compliance with all relevant environmental and safety legislation.

### **Risk Management**

Appointing suitably qualified contractors for the services described above ensures Council complies with the intent of the *Environmental Protection Act 1994* reducing Council's corporate and environmental risk.

The tender evaluation plan contains operational and financial evaluation criteria to enable the evaluation panel to assess tender responses and propose the most suitably qualified tenderer, in addition to providing value for money and the required environmental outcomes.

The proposed contract to be made from tender T-1783-15/16-WST are for a minimum term of two years and may be extended for an additional maximum three 1-year periods. The contract contains detailed and specific key performance indicators to support RedWaste contract management processes.

### **Financial**

In 2015/16 the sale of scrap metal is estimated to raise \$747,718 in revenue to the RedWaste Business Unit.

A reduced revenue budget of \$143,980 has been allocated in the 2016/17 annual budget for the tendered services to account for scrap metal market volatility resulting from lower iron ore prices and reduced global demand for recycled metal products. However, the proposed contract is subject to quarterly rise & fall adjustments which reflect global market conditions at the time.

### **People**

The contract will be managed by the RedWaste Business Unit with current staffing levels.

## Environmental

The purchase and removal of scrap metal is undertaken in compliance with all relevant environmental legislation.

## Social

Not applicable.

## Alignment with Council's Policy and Plans

The proposed contract for the purchase and removal of scrap metal aligns to Council's Corporate Plan outcome of Green Living.

## CONSULTATION

Consultation has occurred between the:

- General Manager Infrastructure & Operations;
- Group Manager Water & Waste Operations;
- RedWaste Service Manager;
- Principal Waste Planner; and
- Business Partnering Team.

## OPTIONS

1. That Council resolves to delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009* to negotiate, make, vary and discharge the tender contract (T-1783-15/16-WST) for the purchase and removal of scrap metal from Redland City Council's waste transfer stations and sign all relevant documentation.
2. That Council resolves to not delegate authority to the Chief Executive Officer, and request that a Tender report be presented at the General Meeting on 10 August 2016 following evaluation and selection of a Preferred Tenderer.

## OFFICER'S RECOMMENDATION COUNCIL RESOLUTION

Moved by: Cr P Gleeson

Seconded by: Cr M Elliott

**That Council resolves to delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009*, to:**

1. **Negotiate, make, vary and discharge the tender contract (T-1783-15/16-WST) for the purchase and removal of scrap metal from Redland City Council's waste transfer stations; and**
2. **Sign all relevant documentation.**

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

**12 MAYORAL MINUTE**

Nil

**13 NOTICES OF MOTION TO REPEAL OR AMEND RESOLUTIONS**

Nil

**14 NOTICES OF MOTION**

Nil

**15 URGENT BUSINESS WITHOUT NOTICE**

Nil

**16 CLOSED SESSION****16.1 INFRASTRUCTURE & OPERATIONS****16.1.1 SPORT LAND ACQUISITION**

**Objective Reference:** A1751725  
Reports and Attachments (Archives)



**Authorising Officer:**  
Gary Soutar  
General Manager Infrastructure and Operations

**Responsible Officer:** Lex Smith  
Group Manager City Spaces

**Report Author:** Angela Wright  
Principal Advisor City Spaces

**EXECUTIVE SUMMARY**

A confidential report from General Manager Infrastructure & Operations was presented to Council for consideration pursuant to Section 275(1) of the *Local Government Regulation 2012*.

**OFFICER'S RECOMMENDATION  
COUNCIL RESOLUTION**

**Moved by:** Cr M Elliott  
**Seconded by:** Cr J Talty

**That Council resolves as follows:**

1. To grant approval for negotiations to be undertaken with the owners of Lot 6 RP79864, Lot 43 RP1884472, Lot 44 RP181590, Lot 45 RP181592 and Lot 42 RP82443 on Giles and Double Jump Roads, Redland Bay for the purchase for open space (sport and park purposes) at fair market value,



with Councillors advised of this negotiated price prior to contract finalisation;

2. To delegate authority to the Chief Executive Officer, under section 257(1)(b) of the *Local Government Act 2009*, to negotiate, make, vary and discharge the acquisition and sign all relevant documentation to give effect to this resolution; and
3. That the report remain confidential until the purchase is completed.

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

### **MOTION TO CLOSE THE MEETING AT 10.23AM**

Moved by: Cr M Elliott

Seconded by: Cr L Hewlett

That the meeting be closed to the public pursuant to Section 275(1) of the *Local Government Regulation 2012*, to discuss the following items:

#### **16.1.2 Moving the Station Masters Cottage**

The reason that is applicable in this instance is as follows:

- (h) *other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage*

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

### **MOTION TO REOPEN MEETING AT 11.02AM**

Moved by: Cr M Elliott

Seconded by: Cr M Edwards

That the meeting be again opened to the public.

**CARRIED 11/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson, Bishop and Williams voted FOR the motion.

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**16.1.2 MOVING THE STATION MASTERS COTTAGE**

**Objective Reference:** A1751681  
Reports and Attachments

**Authorising Officer:**



**Gary Soutar**  
General Manager Infrastructure and Operations

**Responsible Officer:**

**Lex Smith**  
Group Manager City Spaces

**Report Author:**

**Angela Wright**  
Principal Advisor City Spaces Strategy Unit

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**EXECUTIVE SUMMARY**

A confidential report from General Manager Infrastructure & Operations was presented to Council for consideration pursuant to Section 275(1) of the *Local Government Regulation 2012*.

**COUNCIL RESOLUTION**

**Moved by:** Cr M Elliott  
**Seconded by:** Cr J Talty

**That Council resolves as follows:**

- 1. To move the Station Master's Cottage from 204 Middle Street into the old Cleveland Township precinct;**
- 2. To pay for the cost of relocating the Station Master's Cottage and re-establishing the cottage with power, water and sewerage;**
- 3. That the Project Delivery Group be assigned the project in the 16/17 financial year and the Cottage is relocated in a timely manner to allow for the Redlands RSL to complete its development works at 204 Middle Street, Cleveland; and**
- 4. That a communication strategy be developed and circulated to Councillors prior.**

**CARRIED 10/0**

Crs Boglary, Mitchell, Gollè, Hewlett, Edwards, Elliott, Huges, Talty, Gleeson and Williams voted FOR the motion.

Cr Bishop was absent when the motion was put.

**17 MEETING CLOSURE**

There being no further business, the Mayor declared the meeting closed at 11.03am

**Signature of Chairperson:** \_\_\_\_\_

**Confirmation date:** \_\_\_\_\_