

ANNUAL REPORT 2017–2018



INTRODUCTION

In accordance with the *Local Government Act 2009*, Council must publish an Annual Report, which provides an update to our community about Council's finances, performance and how we have delivered against our plans.

Legislation requires particular information be included in a local government's Annual Report. An index of this statutory information – and where to find it in this report – is on pages 160-165.

This Annual Report is the last against our Corporate Plan 2015-2020, which reflects the Redlands 2030 Community Plan. Our next Annual Report will report against our 2018-2023 Corporate Plan. This report also includes a summary of our performance against Council's Operational Plan 2017-18.

Glossary of common terms used in this report

Annual Report – Council's report on its annual performance, including statements about annual performance, financial statements and disclosures required under legislation.

Capital works program – Program of scheduled works generally encompassing infrastructure works for road, drainage and building assets.

Corporate Plan – A strategic document that sets out Council's plans over five years. It outlines the strategies to be undertaken to achieve the vision and outcomes in the Redlands 2030 Community Plan. It is a legal requirement under the *Local Government Act 2009* for Council to adopt a Corporate Plan.

Councillors – Elected members of Council.

Diversity – Understanding that each individual is unique, and recognising our individual differences.

External audit – An official inspection of an organisation's accounts, internal controls, processes and procedures, typically by an independent body.

Financial year – The 12 months between 1 July of one year and 30 June of the next year. This Annual Report is for the 2017-18 financial year, which spans 1 July 2017 to 30 June 2018.

Full-time equivalent (FTE) – The hours worked by one or more employees that are the equivalent of a full-time employee. For example, this may involve a full-time employee working 36.25 hours per week or two part-time employees each working 18.13 hours per week.

Governance – How decisions are made and implemented and how organisations are managed and controlled to achieve objectives. Governance also describes the ways an organisation can be held accountable.

Infrastructure – Physical networks that are essential to running a local government area, including the road network, water supply, and wastewater and stormwater networks.

Key performance indicator – Evidence of the degree to which Council's actions are achieving intended objectives, for the purposes of monitoring progress.

Local laws – The laws adopted by Council that prohibit, regulate and control activities, events, practices and behaviours within Redlands Coast.

Operational Plan – A one-year plan that sets out activities to be undertaken in that particular year to achieve the Corporate Plan. An Operational Plan is a legal requirement for Queensland councils under the *Local Government Act 2009*.

Statutory – Required under a law or legislation.

CONTENTS

Introduction.....	2
About Redlands Coast	4
Our vision, mission and values	6
Message from our Mayor and CEO	8
Review of 2017-2018 highlights.....	10
Quandamooka Country.....	14
Milestones and awards.....	16
Mayor and Councillors' information.....	20
Grants	24
Our organisation.....	28
Executive Leadership Team.....	30
Our people.....	32
Your assets.....	36
Business Transformation at Redland City Council.....	37
Governance at Redland City Council	38
Council performance	43
Vision Outcome 1: Healthy natural environment.....	46
Vision Outcome 2: Green living	50
Vision Outcome 3: Embracing the bay	54
Vision Outcome 4: Quandamooka Country	58
Vision Outcome 5: Wise planning and design	62
Vision Outcome 6: Supportive and vibrant economy	66
Vision Outcome 7: Strong and connected communities.....	72
Vision Outcome 8: Inclusive and ethical governance.....	76
Strategic Priorities.....	81
Economic development	82
Sport, education and the arts	83
Transport and connectivity	84
Planning.....	85
Branding identity.....	86
Smart cities and digital connectivity	87
Community Financial Report	88
Redland Investment Corporation	96
RedWaste.....	98
Redland Water	104
Statutory information.....	112
Consolidated Financial Statements	119
Index of statutory information.....	160

ABOUT REDLANDS COAST



154,312
PEOPLE



537KM²
LAND AREA



387KM²
WATERS OF
MORETON BAY



335KM
COASTLINE
(APPROX.)



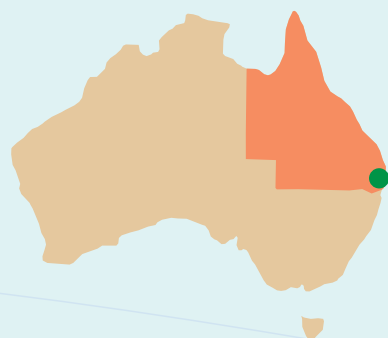
820
PARKS



23
DOG
OFF-LEASH
PARKS

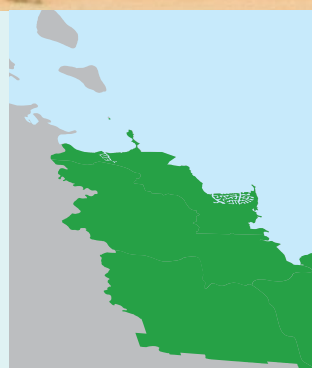


70
HECTARES
OF SPORTING
FIELDS



Redland City, fast becoming known as Redlands Coast, is located south-east of Brisbane, Queensland.

It comprises mainland, coast, hinterland and islands.





40% OF OUR LAND
IS PROTECTED
GREEN SPACE



1700
SPECIES OF
NATIVE PLANTS
AND ANIMALS



23
BOAT
RAMPS



58
CANOE AND
KAYAK LAUNCH
POINTS



15
JETTIES



6 RESIDENTIAL ISLANDS

North Stradbroke, Coochiemudlo, Russell, Macleay, Karragarra and Lamb islands.



Traditional Owners

The Traditional Owners of much of Redlands Coast, collectively known as the Quandamooka People, have lived on the lands and seas surrounding Minjerribah (North Stradbroke Island) for at least 21,000 years.

The Quandamooka People represent three distinct tribes: the Ngugi of Moorgumpin (Moreton Island) and the Noonuccal and Gorenpul of Minjerribah.

On 4 July 2011, the Federal Court of Australia made two native title consent determinations recognising the Quandamooka People's native title rights and interests.

The Quandamooka People's native title consent determinations cover most of North Stradbroke Island, Peel Island, Goat Island, Bird Island, Stingaree Island, Crab Island and the surrounding waters of Moreton Bay.

On the same day, Redland City Council and the Quandamooka People also signed an historic Indigenous Land Use Agreement, setting out broad principles and mechanisms for how the parties will work together to benefit the community.

Council is committed to working with the Quandamooka People, supporting their role as custodians of their traditional lands, and helping ensure the future prosperity and cultural enrichment of the community.

Council has identified actions in its Redlands 2030 Community Plan under the following goal:

The rich Aboriginal heritage of the Redlands (Quandamooka) and the Traditional Owners' ongoing custodianship of Quandamooka land and waters will be widely understood and respected, and we will work together for the future of Quandamooka Country.

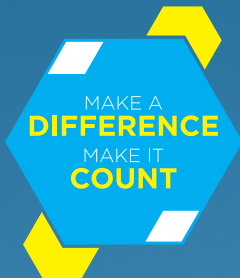
OUR VISION, MISSION AND VALUES

VISION

Forward thinking,
engaged and
focused on enriching
community lifestyles.

MISSION

Make a difference,
make it count.



VALUES

5
Core
Values



1. Customer service

We deliver on our commitments and provide excellent customer service.

2. One team

We co-operate and collaborate within and across teams.

We support our people to perform at their best.

3. Accountability

We take ownership of our responsibilities.

We are professional and ethical in all we do.

4. Growth

We challenge ourselves to deliver better value for money.

We will be better tomorrow than we are today.

5. Communication

We are open, honest and constructive in all communications.



MESSAGE FROM OUR MAYOR

This past financial year marked the beginning of a new chapter for Redlands Coast with the creation of a marketable identity for our city that will play a significant role in our future.

'Redlands Coast – Naturally Wonderful' was endorsed by Council following consultation with about 5,000 locals, business owners and visitors and captures how we, as a community, feel about our city and how we would like others to see it.

It followed recognition by Council, tourism operators and the Redlands Economic Development Advisory Board that the city needed a clear and recognisable identity to support business, attract trade and investment, open up tourism opportunities and build on the city's already strong community pride.

Our tourism potential was also in the spotlight during the lead-up to the Gold Coast Commonwealth Games, with two visits by the Queen's Baton – the first for a traditional Quandamooka welcome on North Stradbroke Island and the second during the official baton relay through Cleveland.

These all add up to 2017-18 marking the beginning of an exciting period of tourism development for Redlands Coast.

There also was progress on a string of major projects that will have tangible benefits for residents.

The first stage of a five-year \$3.7 million expansion of Redlands Coast's IndigiScapes Centre at Capalaba began.

A \$71 million Surf Lifesaving Centre of Excellence and Emergency Services Precinct for Cleveland also took a step forward. Council and Surf Life Saving Queensland (SLSQ) signed a Memorandum of Understanding for an Australian-first project that aims to incorporate a new SLSQ state headquarters and training centre into a state-of-the-art aquatic centre for the Redlands Coast community.

Meanwhile, work started on an \$8.5 million project to improve the Macleay Island foreshore, following years of community engagement and planning discussions between Council and multiple agencies and stakeholders.

Council also finalised the purchase of the former Department of Primary Industries research station at Alexandra Hills after many years of negotiation with the State Government. This prime real estate contains important vegetation and is seen as having huge potential for community use.

Council also took on the planning for the Weinam Creek Priority Development Area at Redland Bay. As part of its commitment to rejuvenate the area, Council acquired nearby Moores Farm to help ease car parking issues at Weinam Creek for residents of the Southern Moreton Bay Islands.

As part of a major city-wide engagement, the Redlands Coast's first Citizens' Advisory Panel was formed to recommend ways to fund and manage the maintenance of the city's canals and lake waterways and revetment walls. It led to the introduction of new ways of managing and funding the canals and lake maintenance activities.

Sustaining Council's solid financial position and low-debt status remained paramount throughout the year. Council realised an operating deficit of \$14.991 million with depreciation expenses and closed landfill remediation – a liability on our balance sheet that we are diligently maintaining – having a significant impact.

Of note, Council achieved a positive net result of \$17.954 million, despite cost pressures outside our control, including yet another hefty increase in the State Government's bulk water costs. This strong balance sheet allowed us to maintain our low-debt position, while minimising cost pressures on residents and delivering a high level of service.

During the year, Council continued to advocate strongly for a better deal for Redlands Coast on a wide range of issues including the assistance needed for North Stradbroke Island's transition from sand mining, greater responsibility by the State Government for the funding of marine assets and key projects to tackle transport and traffic concerns. This will continue.

The professionalism and commitment of all Council employees and the exceptional guidance and management of our Executive Leadership Team have underpinned our achievements and the delivery of such excellent service in 2017-18, for which Councillors and I are most appreciative and proud.

I would especially like to acknowledge and thank the thousands of residents who have taken part in Council's community engagement during this period, along with the many volunteers who help to make Redlands Coast such a great place to live, work and do business. Your contributions are valued.

Councillor Karen Williams
Mayor of Redland City

MESSAGE FROM OUR CEO



During 2017-18, Council continued to deliver a wide range of projects to help grow our city's economy, protect our environment and provide value and quality service to our residents and businesses.

The adoption of our refreshed Corporate Plan 2018-2023 strengthens our commitment and provides opportunities to deliver our vision and Council's Strategic Priorities.

Council continued to strengthen its partnership with Quandamooka Traditional Owners and meet the city's obligations under the Indigenous Land Use Agreement.

The importance of our traditional heritage was highlighted through our city brand and support for the annual Quandamooka Festival, as well as the addition of a Redland City Australia Day Award for Reconciliation.

A core business, waste management, was brought into the spotlight due to national and international pressures. We increased community education with a target of reducing the average recycling contamination rate from the household recycling bin collection from 7.2 per cent to 5 per cent by 30 June 2019.

A community campaign was also initiated to increase the uptake of the mainland green waste collection service to 15,000 by 30 June 2019, an increase of 4300 households. Both campaigns were supported by a reduction in the one-off bin establishment fee for both green-waste and the upsizing or downsizing of yellow-lid recycling bins for the 2018-19 financial year, as well as measures to encourage the uptake of household green waste bins.

Redlands Coast fire management initiatives were also advanced during 2017-18, with 46 of the 56 recommendations of the Queensland Fire and Emergency Services report completed. This includes seven of the nine high priority recommendations, with substantial progress on the remainder.

The actions included raising community awareness of local laws, inspection and upgrades of fire trails on the Southern Moreton Bay Islands, improved emergency information signage and a review of Council's fire management practices.

Within the organisation, there was strong focus on employee and business unit development, with employees encouraged to be more innovative in their work to achieve better outcomes. The Mayor and CEO Awards celebrated many employee achievements which demonstrated this in action.

As one of the largest Redlands Coast employers, we continue to develop our workforce, particularly through leadership and corporate employee development, and our trainee and apprenticeship program.

We are as committed to being responsive and sensitive to our employees' needs as we are to those of residents. As part of that process, we are working to develop a Workplace Maturity Action Plan that will provide the tools needed to support employees affected by domestic and family violence.

A new Climate and Energy Dashboard was developed as an internal energy monitoring system that allows for tracking of Council's energy consumption. Council will continue to measure, reduce and offset its operational greenhouse gas emissions.

Also with an eye to the future, our exploration of technology-led innovations to assist in planning for the city's transport needs was on show with the trialling of an autonomous vehicle in Cleveland. The positive reception fuelled plans for a future longer-term trial of the shuttles which can efficiently move people between car parks and transport terminals, be used as transport within events, or connect people with shopping, health or industrial precincts.

Progress was also made on the Cleveland Transport and Traffic Strategy, with our working paper helping to shape the next stage of the process in addressing CBD parking issues and accessibility.

Council continued to deliver against its commitments of both an operating and capital nature. Council's capital works program focused on renewing existing community infrastructure to ensure it remains fit for purpose and saves money in the long term, while maintaining our low-debt status.

I would like to extend my sincere thanks to Mayor Karen Williams and all Councillors for their leadership and vision for the city. I also thank my Executive Leadership Team members for their support, as well as the collective leadership of the organisation and committed employees who dedicate themselves each working day to making a difference for our community.

A stylized, handwritten signature in dark ink, consisting of a large, flowing 'A' followed by a horizontal line and a small dot.

Andrew Chesterman
CEO of Redland City Council

REVIEW OF 2017-2018 HIGHLIGHTS





Historic occasion

One of Cleveland's landmark buildings, the 128-year-old Station Master's Cottage, moved in July 2017 to Cleveland's historical precinct at Linear Park, Shore Street North. It now sits beside the Redland City Lions Hall and Old Schoolhouse Gallery. An integral part of local history, the cottage was built in 1889 when the railway line to Cleveland was opened. Council has made the cottage available for use by community groups.



New customer service centre opens

The new financial year brought with it the opening of Council's Victoria Point Customer Service Centre to provide residents of the city's southern suburbs and islands with greater face-to-face access to Council. The move recognises the challenges faced by residents who previously had to travel to Cleveland to visit Council's main customer service centre branch. The new centre is located inside the Victoria Point Library building.



IndigiScapes expansion

In August 2017, the first stage of a five-year \$3.7 million expansion of Redlands Coast's IndigiScapes Centre at Capalaba commenced with the turning of the first sod for a bigger and better native plant nursery. The nursery specialises in sourcing and propagating local native plant species and is a vital source of stock for Council's citywide planting program. Council also opened talks with the Quandamooka Yoolooburrabee Aboriginal Corporation with a view to introducing authentic Indigenous cultural heritage experiences to IndigiScapes.



Major work on Macleay Island

An onsite construction compound was established in late August 2017 on Macleay Island to mark the beginning of an \$8.5 million project to improve the foreshore. The large-scale project follows years of community engagement and planning discussions between Council and multiple agencies and stakeholders. The plans include a new seawall and sealed car park, associated roadworks and marine infrastructure and a new recreational boat ramp. A key element is the entombment of asbestos-contaminated land.



Libraries' new direction

In October 2017, Council adopted a new library strategy that has a strong focus on creating welcoming multi-use spaces and providing innovative services, both within the Coast libraries and off-site. The Library Services Strategy 2017-2022 outlines how Council libraries will become more innovative in how people can access them, with plans for libraries to 'get out and about' to more events and festivals, nursing homes, community centres, parks and other public spaces. The libraries team looks closely at global trends and engaging in urban place-making to develop spaces for people to meet to better connect, innovate and learn.



First Citizens' Advisory Panel

Meetings started in December 2017 for the city's first Citizens' Advisory Panel. The panel, comprising 40 randomly selected residents, met over three months to listen to key stakeholders and experts before recommending to Council ways to fund and manage the maintenance of the city's canals, and lake and revetment walls. The panel was a key part of citywide engagement on the issue. Following the consultation, Council introduced new ways of managing and funding the canals and lake maintenance activities.



Queen's Baton welcomed...twice!

The Redlands Coast was connected with communities across Australia and the Commonwealth early in the New Year when the Queen's Baton received a traditional Quandamooka welcome on Point Lookout, North Stradbroke Island, on its way to the Gold Coast Commonwealth Games. Organised by Council, the visit to the island home of Games medal design artist Delvene Cockatoo-Collins was the first of two to the Redlands Coast for the baton. Council also organised a baton relay and community celebration at Cleveland in March 2018 during the official Commonwealth Games Baton Relay.



Home Assist Secure

From January 2018, STAR Community Services, a local not-for-profit organisation established at Redlands Coast for more than 20 years, took over delivery of Council's Redland Home Assist Secure (RHAS) home maintenance and modification services to the community on a six-month contract. Council made the decision as it did not want to compete for community services funding against specialist providers that could deliver the RHAS program effectively and with more flexibility than Council. After the contract ended on 30 June 2018, STAR was awarded the Federal Government contract to deliver the Home Assist services funded by the Commonwealth while St Vincent de Paul was awarded the contract to deliver the services funded by the State Government.



Working towards a smarter future

During the year, Redlands Coast became part of the Advancing Regional Innovation Program, a partnership with Logan City Council, Griffith University, Alexandra Hills TAFE, Redland City Chamber of Commerce and other key partners with an interest in building the innovation ecosystem for the Logan/Redlands Coast region. The program aims to support local innovation and entrepreneurship, particularly the creation of local jobs of the future – which is becoming increasingly important as traditional jobs disappear. Redlands Coast-specific programs to emerge from the partnership will include a series of summits that will highlight best-practice in innovation and investment opportunities within targeted sectors of the Redlands Coast economy.



Future arrived by bus

Redlands Coast residents were given a taste of future urban transport when an EasyMile EZ10 electric driverless shuttle was on show at Cleveland's Middle Street in March 2018. The demonstration was part of a comprehensive Council transport strategy, which is looking at how the technology can assist in planning for the city's future transport needs. Residents had a chance to try the shuttle, which can efficiently move people from car parks to bus, train and ferry stations on the mainland or islands, be used as transport within events, or connect people with shopping, health or industrial precincts.



Sniffing out koalas

From late April 2018, specially trained koala detection dogs and their expert handlers started a city-wide koala population assessment. The unique tracking program is part of Council's five-year Koala Conservation Strategy, which will focus on the five key threats to koalas: habitat loss and fragmentation; road mortality; dog attacks; disease; and changes to climate. The project is seen as a critical step in understanding koala density numbers, health, population size and survival rates, population genetics, and identifying important koala habitat in the Redlands.



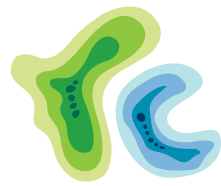
Harbour solutions

Council took on the planning for the Weinam Creek Priority Development Area at Redland Bay in June 2018. Council committed to the rejuvenation of the area and started working on a plan to provide the community infrastructure identified as vital to the transport hub. In December 2017, Council acquired nearby Moores Farm to help ease car parking issues at Weinam Creek for residents of the Southern Moreton Bay Islands. Meanwhile, the Walker Group concentrated its efforts on the Toondah Harbour development, which, pending the outcomes of an environmental impact statement, could provide the Redlands Coast community with a new bayside destination and gateway to Moreton Bay and North Stradbroke Island.



Redland City Plan nearing completion

Following significant community consultation and State Government review, Council has secured a major win for the character of the city with the State Government agreeing to capping minimum lot sizes to 400 square metres, except in areas that already have significant areas of smaller lots. The new plan is simplified and easier to understand.



Redlands
c o a s t

Redlands Coast – a brand new identity

The Redlands emerged with an exciting new identity after Council endorsed a place brand for the city in June 2018, following consultation with around 5,000 locals, business owners and visitors. The place brand and positioning statement 'Redlands Coast – Naturally Wonderful' was the clear preference and followed recognition by Council, tourism operators and the Redlands Economic Development Advisory Board that the city needs a clear and recognisable location identity that will support business, attract trade and investment, open up tourism opportunities and build on the city's already strong community pride.



Birthday celebrations for RPAC and RAG

This year, Redland Performing Arts Centre (RPAC) celebrated 10 years and Redland Art Gallery (RAG) 15 years of operation. More than 435,000 people have visited RPAC since it opened on 11 March 2008. Since opening in 2003, RAG have greeted more than 615,000 visitors at their Cleveland and Capalaba galleries and worked with thousands of artists.

QUANDAMOOKA COUNTRY

Council continues to work with local organisations and community partners to protect the natural and cultural attributes of Quandamooka Country and share knowledge of the history and traditions of the Ngugi, Noonuccal and Gorenpul People and their ongoing connection to the lands we call Redlands Coast.

New city brand includes Quandamooka culture

Council worked with Quandamooka Elders and artists to develop the new brand for the city, 'Redlands Coast – Naturally Wonderful'. Quandamooka culture is incorporated throughout the brand story.



The new brand includes Quandamooka artistic elements by renowned artist Delvene Cockatoo-Collins, whose family belongs to Quandamooka Country and who designed the 2018 Commonwealth Games

medals. Delvene's symbols in the middle of both the 'r' and the 'c' of the logo subtly represent the physical elements of the land and sea, including the shells on the coastline and the landscape within Redlands Coast. Dr Robert Anderson OAM (Uncle Bob) narrates the Redlands Coast video and plays the key role in it. The new brand provides a platform to promote all the city has to offer, including Quandamooka culture, which has the potential to become an international tourism drawcard and is a key part of the brand story.

Quandamooka event for Commonwealth Games

Council delivered a Quandamooka-focused Gold Coast Commonwealth Games Queen's Baton Relay community event on North Stradbroke Island, resulting in national television and social media coverage of the island as an eco-cultural tourism destination. The event was attended by more than 2,000 people and included Auntie Rose Borey as the sole baton carrier. The event also included a Welcome to Country by Uncle Bob, the Yulu Burri Ba Dancers, cultural demonstrations, sand art and also featured Quandamooka artist and Commonwealth Games 2018 medal designer Delvene Cockatoo-Collins. A second event to celebrate the Commonwealth Games Baton Relay at Cleveland in March 2018, also featured Quandamooka artists.

QYAC on Tourism Subcommittee

The Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC) CEO was a key member of the Redlands Tourism Subcommittee, chaired by Council. The sub-committee provided advice to Council on a diverse range of tourism opportunities, partnerships, promotional campaigns and industry development.

Community art

The 2017-18 year saw many opportunities through the Redland Art Gallery for people to view and enjoy works by Aboriginal artists and take part in cultural art workshops. Exhibitions included Ruby and Hunter: Claudia Moodoonuthi; The Search for Warrajamba: Delvene Cockatoo-Collins; Salt Marsh Whispers:

Jo-Anne Driessens; Gadal Gajal Bujongja Quandamookajen (Bushes and Leaves: Flora from Quandamooka Mother Earth) by Salt Water Murrus Quandamooka Inc. A number of Redland Art Gallery Collection artworks by Quandamooka artists also featured in the #luvRedlands exhibition celebrating the gallery's 15th birthday.

Other highlights were the temporary art banners by artist Elisa Jane Carmichael at Council's Cleveland Administration Building and Redland Performing Arts Centre (RPAC) and the long-term installation of dabilbahnbā—place of saltwater mural created by artists Shara Delaney and Sandra Delaney at Cleveland Library. These were joint initiatives with QYAC as part of the Quandamooka Festival.

Reconciliation in action

The importance of Redlands Coast's traditional heritage was highlighted by the addition of a Reconciliation Award category to the 2018 Redland City Australia Day Awards. The Reconciliation Award was introduced to create a new opportunity to acknowledge residents building relationships between Aboriginal, Torres Strait Islander and non-indigenous people. The 2018 winner, Quandamooka Traditional Owner Kenneth Munro, is a client liaison officer with Yulu Burri Ba Health and was acknowledged for his efforts to give others the opportunity to learn, grow and understand Aboriginal culture while fostering unity and respect. Council also continued its efforts to promote reconciliation through internal learning and development training opportunities to employees and a series of community events.

NAIDOC, Reconciliation Week and Quandamooka Festival events

Each year, Council celebrates National Reconciliation Week and NAIDOC Week. In July 2017, RPAC hosted its annual NAIDOC showcase, featuring nationally-renowned band, Coloured Stone. As part of NAIDOC celebrations, public events were also hosted at Redland Art Gallery and Redlands Coast's IndigiScapes Centre.

During National Reconciliation Week 2018, Council events included the launch of Gadal Gajal Bujongja Quandamookajen (Bushes and Leaves: Flora from Quandamooka Mother Earth) by Salt Water Murrus Quandamooka Inc., storytelling by Quandamooka artist Sandra Delaney at Redland Libraries and



The 7 Stages of Grieving
(photo: Justin Harrison)

a special screening of Rabbit-Proof Fence and Ten Canoes at RPAC. As part of the Quandamooka Festival, RPAC also presented the Australian Indigenous theatre piece *The 7 Stages of Grieving* in August.



Queens' Baton Relay
on North Stradbroke
Island / Minjerribah

Quandamooka culture at Council events

Council continued its commitment that all major community events become opportunities to increase awareness of Quandamooka culture. Local Elders, artists and performers were engaged to share Welcome to Country, storytelling, dance, song and art. The 2017 Christmas by Starlight event was a highlight being headlined by Isaiah Firebrace, with Elders Aunty Rose Borey and Uncle Bob Anderson providing a Welcome to Country and the Yulu-Burri-Ba Dancers performing to an estimated crowd of more than 15,000 people.

Supporting community

Through Community Grants, Regional Arts Development Fund, Sponsorship Programs and ongoing partnerships, Council supported community-led initiatives to bring Quandamooka culture to the wider community. These included Minjerribah Moorgumpin (Elders-in-Council) Aboriginal Corp and Goompi NAIDOC celebrations and Care4Country events. Funding was also provided for Quandamooka performers to be part of other community events such as the 2018 Flinders Day celebrations.

Grant funding was provided to initiatives such as the COOEE Indigenous Family and Community Education Resource Centre's Indigenous Youth Leadership and Resilience Building Program, and the publication update of History Life and times of Robert Anderson (Edition III). Council was again a major sponsor of the Quandamooka Festival and promoted eco-cultural tourism on

North Stradbroke Island through a range of mediums including television, whole-of-city magazines and digital media in collaboration with Traditional Owners.

Land management and cultural heritage

Aboriginal cultural heritage is now more entrenched as part of Council's business-as-usual, with strong collaboration under way to ensure the ongoing and future protection of sacred sites and artefacts.

Quandamooka cultural heritage advisors were regularly engaged to provide expertise on infrastructure and environmental programs. Partnerships between Council's disaster management and conservation officers and Quandamooka Traditional Owners also continued to grow. An example of this is QYAC's representation on the Local Disaster Management Group and participation in an emergency preparedness exercise, Afterburn. This transfer of knowledge benefits all parties, the natural environment and ongoing community disaster preparedness. Council continued to work in partnership with the Traditional Owners of North Stradbroke Island to progress cultural heritage, animal management, fire and vegetation management, land tenure and other native title initiatives.





MILESTONES AND AWARDS

Mayor Award

The Mayor Award is the highest formal recognition an employee at Redland City Council can receive. This prestigious award recognises an individual employee's outstanding commitment to enriching the Redlands Coast community. The winner of the 2017 Mayor Award was Chris Vize.



Chris Vize,
City Planning and Assessment Group

Chris improved Council's internal processes while ensuring a higher standard of service for the community and our customers. This included his contribution to the establishment of the Integrated Customer Contact

Centre and his work with the Community and Customer Services team to develop detailed work instructions to enable customer service employees to efficiently manage planning enquiries.

CEO Awards

The CEO Awards are a way of formally recognising individuals and teams who demonstrate an above and beyond commitment to Council's five core organisational values: Customer Service, One Team, Accountability, Growth and Communication.

2017 winning recipients and categories

Accountability



Stephanie Brierley,
Communication, Engagement and Tourism Group

Stephanie was recognised for her exceptional role in safely delivering more than 20 high-quality corporate and public events that attracted thousands of community members. With her strong work ethic and

energy, she continually went "above and beyond" to provide exceptional customer service - from delivering project plans and managing budgets to handling event infrastructure and coordinating teams on the ground.

Communication

Julie Young,
Financial Services Group

Julie consistently demonstrated exceptional communication skills through her interaction with customers within and outside Council. Always accessible and ready to provide advice in navigating Council's invoicing and purchasing processes, Julie would guide service providers, suppliers and colleagues to ensure a high level of service delivery and satisfaction.

Customer Service



Damian Ross,
Facilities Services Team

Damian's swift response to safety issues and Council building maintenance was commendable, always ensuring minimal disruption while work was undertaken. Damian also provided exceptional service in helping out with Cleveland's 7-day make-over

event, ensuring children had a clean play garden outside Council buildings.



Leticia O'Donovan,
Financial Services Group

Leticia was commended for providing accurate and prompt advice across Council to help achieve quality financial outcomes for the city and its residents. Her support extended from projects to be delivered by Council's Redland Investment Corporation and

Asset Management to financial reporting and budget advice, employee training and improvement of self-help tools such as e-Learning modules and the Financial Services Intranet.

Growth



Andrew Tyson,
Portfolio Management Office

Andrew was recognised for his work in improving Council's project management. High among his achievements was his role in the development of the P3 portal as the hub for project information. Andrew provided substantial support and advice, assisting other areas in managing projects and programs more efficiently.

MILESTONES AND AWARDS



One Team

Claire Lovejoy and Kailesh Naidu

Claire, of the Legal Services Unit, led the complex canal and lake refund project while she was Acting General Counsel, and continued as lead in her substantive position. Her calm and collected approach was valued and appreciated within Council.

Kailesh, of the Internal Audit Unit, frequently went out of his way to help others meet their audit requirements within the mandated timeframes. Always willing to listen to others' points of view, he worked collaboratively with the businesses during reviews to provide reliable advice on accounting standards, legislation, risk management and best practice.



Team Award winners

Internal Coaching Bench

This team was outstanding in its support of the personal development of Council employees through encouraging them to think about their professional goals and helping them to find the inspiration and energy to improve their service to the community. The Internal Coaching Bench is available to all employees seeking to better themselves and their performance.

Team Award, second place

Corporate Events Team

Throughout 2017-18, this team was commended for its excellence in the production of a number of high-quality community and corporate events. Team members consistently brought a high level of professionalism to their roles, including finding new and cost-effective ways to support and deliver Council's growing calendar of events.



Team Award, third place

National Reconciliation Week and NAIDOC Week Committee

Many areas of Council were brought together by this committee to promote workplace reconciliation and increase organisational knowledge of Aboriginal and Torres Strait Islander issues and Quandamooka Country's Traditional Owners and their culture. It led to more than 530 staff voluntarily attending Reconciliation Week education sessions.

Other awards

First Nations emerging curator award



Freja Carmichael was announced as the inaugural recipient of the Macquarie Group First Nations Emerging Curator Award. The award was offered under a new partnership between Macquarie Group and the Australia Council for the Arts to support an inspirational First Nations emerging visual arts curators in their professional development and practice. A Ngugi woman, belonging to the Quandamooka People of Moreton Bay, Freja has worked broadly across the Indigenous visual arts sector. Freja received \$15,000 and the opportunity to curate a new exhibition in 2018, as well as undertake invaluable professional development overseas.

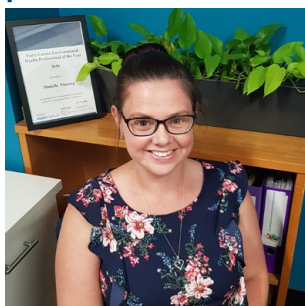
Queensland top 10 young leaders' award



Luke Kinman was named one of the State's top 10 young leaders in the Institute of Public Administration (IPA) Queensland Top 10 Young Leaders awards. The awards recognise Queensland's exceptional young leaders across all levels of the public sector. Luke is the Service Manager for Communication,

Engagement and Tourism. Luke is also President of RedFest Strawberry Festival, a position he undertakes voluntarily and that sees him deliver one of south east Queensland's largest festivals.

Environmental health young professional award



Team Leader for Environmental Health, Danielle Fleming, was awarded the Early Career Professional of the Year Award. It recognises outstanding contribution to the field of environmental health by a professional with no more than five years' post-graduation employment. The decision to award this achievement is made

by the Board of Environmental Health Australia (Queensland), represented by members working in all levels of government.

Bob Marshman Trainee of the Year acknowledgement

Erin McGill was named one of the top placing trainees as part of the South East Regional Training Awards. Erin joined our Traineeship Program in 2017 and completed her Certificate III in Business Administration with our Communication, Engagement and Tourism Group. Erin was acknowledged as in the top five for south east Queensland.

Risk Management Excellence Award

Our e-learning initiative won the 2017 Local Government Mutual (LGM) Liability Risk Management Excellence Award. We were acknowledged for our continued support and commitment to LGM, and our investment in improved risk management systems and practices. In addition to the award, we were invited to send a representative to the 2018 Statewide Mutual National Local Government Risk Management Conference in Sydney with costs met by the award sponsor.

Summer Reading Club Awards



As part of the Summer Reading Club that ran during December 2017 and January 2018, an Australia-wide library display competition 'Game On' was held, consisting of five categories, with Redland Libraries successful in taking out two of the awards. The Space Activation Award went to Victoria Point Library. The Collections-Based Award went to Cleveland Library.

Leader in social media

Council was acknowledged as a leader in social media within Australian public sector organisations. Council was named in the 'Five Australian Government Agencies Doing Great Work on Social Media' by Digital Honey, a digital commerce agency. Council was in good company along with New South Wales Police, Tourism Australia, South Australia Health and the Bureau of Meteorology. Council stood out for its content, keeping residents up-to-date with city matters including planned works, closed sports fields and traffic disruptions, as well as tweets from Council meetings, promotional images, and publication of videos including employee interviews.



Division 1 Wellington Point and Ormiston Cr Wendy Boglary	Division 2 Cleveland and North Stradbroke Island Cr Peter Mitchell	Division 3 Cleveland South and Thornlands Cr Paul Gollè	Division 4 Victoria Point, Coochiemudlo Island and Redland Bay Cr Lance Hewlett	Division 5 Redland Bay and Southern Moreton Bay Islands Cr Mark Edwards	Division 6 Mt Cotton, Sheldon, Thornlands, Victoria Point and Redland Bay Cr Julie Talty	Division 7 Alexandra Hills, Capalaba and Thornlands Cr Murray Elliott	Division 8 Birkdale, Alexandra Hills, Ormiston, Wellington Point and Cleveland Cr Tracey Huges
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MAYOR AND COUNCILLORS' INFORMATION

Redland City Council, comprising the Mayor and 10 Councillors, is the elected body responsible for the good governance of Redlands Coast.

The elected body has legal obligations requiring members to represent the current and future interests of Redlands Coast residents.

The Mayor and Councillors are democratically elected and accountable to their communities for the decisions they make and the services they provide. Their role also includes other responsibilities such as providing high quality leadership to the community, participating in Council meetings, developing policy and making decisions that are in the interests of the whole community.

The Mayor and Councillors are bound by a Code of Conduct, which is their public commitment to open, accountable and ethical standards of behaviour. The community also plays an important role in contributing to good democratic governance by participating in Council elections, being actively involved in community engagement programs and providing feedback on current issues and the services provided.

Division 9

Capalaba
and Birkdale

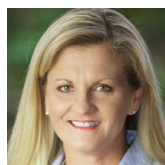
Cr Paul Gleeson

Division 10

Birkdale North
and Thorneside

Cr Paul Bishop

MAYOR AND COUNCILLORS



MAYOR

Councillor Karen Williams
Graduate of Australian Institute
of Company Directors
Elected: 2004, Mayor since 2012

Karen was born in Redlands Coast, raised her family here and has lived in the city for most of her life. She was elected Mayor in April 2012 after serving as the Divisional Councillor for Division 9 (Capalaba) from 2004. Before joining Council, Karen worked for 10 years in the domestic money market in Sydney and Brisbane and also owned and operated two successful retail floral studios in Brisbane.

Karen is involved with a large number of community organisations and local government bodies. She is Director-Treasurer of the Council of Mayors (SEQ), board member of the Australian Local Government Association (ALGA), Local Government Association of Queensland Policy Executive Committee, Healthy Land and Water, Local Government Mutual Services and the Economic Development Advisory Board. Karen is also a member of South East Queensland Regional Plan Committee and Council of Mayors (SEQ) Resilient Rivers Taskforce, a Trustee of the Committee for Economic Development for Australia (CEDA), Chair of the Local Disaster Management Group, Deputy Chair of the Council of Mayors (SEQ) Waste Working Group and a member of the Australian Government Local Government Domestic, Family and Sexual Violence Prevention Project Reference Committee.

Karen is a graduate of and holds a Diploma with the Australian Institute of Company Directors.



DIVISION 1

Wendy Boglary
Wellington Point and Ormiston
*Elected: 2008, Deputy Mayor:
April 2016 – April 2018*

Wendy's initial career path in banking was followed by two decades of small business success in the Redlands, where she ran, with her family, two successful businesses including the Ormiston Foodstore. First elected in 2008, Wendy held the position of Deputy Mayor from April 2016 to April 2018 and has held a variety of committee positions. Currently Wendy is Deputy Chair of the Local Disaster Management Group.

Wendy has raised her family in the division she now represents, and continues to be involved in a large number of school, sporting and community organisations. She is a graduate of and holds a Diploma with the Australian Institute of Company Directors, a Certificate IV in Workplace Health and Safety, a Certificate IV in Train the Trainer, a Diploma of Project Management, and is currently completing a Diploma in Local Government.



DIVISION 2

Councillor Peter Mitchell
Cleveland and North Stradbroke Island
Elected: 2016

Peter is a married father of four who has called Redlands Coast home since 1990. He obtained a Bachelor of Physiotherapy at the University of Queensland in 1985 and a Master in Sports Physiotherapy at Griffith University in 1999. He was the owner of a physiotherapy practice in Cleveland for 25 years. He proudly employed local staff, sponsored events, and treated more than 15,000 residents. This experience has shaped a strong work ethic and great appreciation for teamwork. Peter is a keen local sportsman, volunteer and outdoor enthusiast. Peter is currently Council's representative on the Donald Simpson Community Centre Board of Management and the North Stradbroke Island Historical Museum Inc.



DIVISION 3

Councillor Paul Gollè
Cleveland South and Thornlands
Elected: 2016

Paul is a proactive professional, with tertiary education and a proven track record in management spanning more than 25 years. He offers combined experience from the private business sector, specialist international government project management and the Australian Defence Force. Paul's academic credentials include a Diploma in Security Risk Management, Diploma of Legal Services, Graduate Diploma of Strategic Leadership, Certificate III in Government, Certificate in Human and Physical Resource Supervision, and Certificate III in Resource Operations.

Paul cares about the people of Redlands Coast and his divisional responsibilities. He believes in acting with integrity and is currently Council's representative for Regional Mosquito Management and the Redland Museum Advisory Committee.



DIVISION 4

Councillor Lance Hewlett
Victoria Point, Coochiemudlo
Island and Redland Bay (part)
*Elected: 2012, Deputy Mayor:
April 2018 – current*

Lance has experience across a range of sectors including the Queensland Government, where he was the Procurement Officer/Manager of the then State Stores Board. He then moved into sales and marketing in the private sector, with positions including National Sales Manager of one of Australia's leading paper merchants/importers, and Queensland State Manager of a major distributor in the graphic and signage industry. Lance is actively involved with many of Redlands Coast's community organisations. Lance is Patron of Meals On Wheels Victoria

Point, Coochiemudlo Surf Life Saving Club, Victoria Point Volunteer Marine Rescue and Redlands Netball Association. He is also a member of Redland Bay and Victoria Point Lions Club and honorary member of Rotary Club of Redland Sunrise, Thornlands. Lance was appointed Deputy Mayor in April 2018 and is currently appointed to Council's Regional Arts Development Fund Committee (RADF).

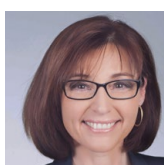


DIVISION 5

Councillor Mark Edwards
Redland Bay (part) and Southern
Moreton Bay Islands

Elected: 2012

Mark has an association with Redlands Coast spanning more than 40 years. He started his working life at a bank in Cleveland, a career which spanned 20 years and saw him climb the ranks through various accountancy and manager positions, culminating in a regional management position in Brisbane. He is also engaged in a number of small business activities outside banking, on the islands and the mainland. Mark has a deep understanding of the needs and aspirations of our community and he is focused on achieving tangible outcomes.

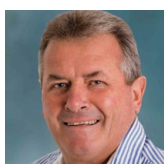


DIVISION 6

Councillor Julie Talty
Mount Cotton, Sheldon,
Thornlands (part), Victoria Point (part)
and Redland Bay (part)

Elected: 2012

Julie holds academic qualifications including a Bachelor of Communication, a Bachelor of Arts with Honours in Media Studies, and a Graduate Diploma in Teaching (Secondary and Middle Years). She has taught at local schools, owned and operated small businesses, and worked for large corporate entities in publishing and the beauty industry. Julie lives in Division 6 in Mount Cotton with her family and is involved in many local community organisations.

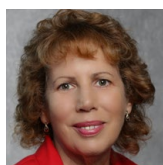


DIVISION 7

Councillor Murray Elliott
Alexandra Hills, Capalaba (part)
and Thornlands (part)

Elected: 1997

Murray was elected to Council in 1997 and has lived in Alexandra Hills for 30 years. During his time in Council he has held many chair of committee positions and was also Deputy Mayor, 2010-2012.



DIVISION 8

Councillor Tracey Hughes
Birkdale (part), Alexandra Hills (part),
Ormiston (part), Wellington Point (part)
and Cleveland (part)

Elected: 2016

Tracey is a long-term resident of Redlands Coast and lived in Victoria Point for nine years before moving to Wellington Point in 1999. Tracey has always been a committed volunteer within the Redlands Coast community, being involved in many church, school, sporting, community groups and events. She thrives on helping others and supporting and promoting our city. This dedication, combined with her strong organisational skills and empathy, drives her ongoing passion as a Councillor. Recognising the most vulnerable in the community are aged residents, Tracey's interest and additional focus on engaging with the support networks for our frail and aged, and supporting these organisations, has continued to be high on her agenda.

Since being elected as Councillor for Division 8, Tracey has also dedicated herself to helping strengthen and protect community values.



DIVISION 9

Councillor Paul Gleeson
Capalaba (part) and Birkdale (part)

Elected: 2012

A Redlands Coast resident for 25 years, Paul's work history varies from senior retail management roles to successfully running his own company in the city for 13 years. He is an active member of his local community and has been a staunch advocate for his division since his election. Paul is currently Chair of Council's Internal Audit Committee.



DIVISION 10

Councillor Paul Bishop
Birkdale North and Thorneside

Elected: 2012

Raised in Wynnum, Paul graduated from QUT (Drama) in 1986. He has worked in film, television and radio, and has performed with every major theatre company in Australia. He has served on Actors Equity's National Performers Committee and as an associate artist with the Queensland Theatre Company. Paul spent seven years acting in the police drama Blue Heelers and moved to Birkdale with his four children in 2004. An entrepreneur, presenter, MC, teacher and media maker, Paul founded Arts Evolution in 2005. He is a trained cluster facilitator, attended the United Kingdom's Skoll World Forum on Social Entrepreneurship in 2008 and opened The Red Place, a co-working hub and innovative space, in 2013.

Paul is currently Chair of Council's Regional Arts Development Fund (RADF) and Council's representative on the Council of Mayors (SEQ) Economic Development Working Group.



GRANTS

Quandamooka Festival
(photo: Nikki Michail/Quandamooka Festival)

Council provides financial assistance to individuals and organisations, helping them run projects that benefit the local community. In 2017-18, Council awarded over 234 grants and sponsorships totalling \$785,450.

Councillors' Small Grants

Grants are available to individuals and organisations that are a not-for-profit incorporated association (or sponsored by one). Funding provides financial assistance to organisations with items such as equipment or incidental costs. Individuals are supported in their pursuit of excellence at a high level.

Over a 12-month period, a total of \$250,000 is available to organisations and individuals as Councillors' Small Grants.

- Up to \$3,000 is available for organisations. A grant may be increased where an initiative provides a community benefit across more than one Council division.
- Up to \$500 is available for individuals selected to represent Australia in an international competition.
- Up to \$250 is available for individuals selected to represent Queensland in a national competition, or who have won at state level and are competing in a national competition.

During 2017-18 financial year, a total \$228,444 was distributed to various organisations and individuals. Funds unspent by applicants and returned back to Council were \$1,007 (meaning Council provided \$227,437 to the community and individuals in 2017-18).

Division	Councillor	Amount
Mayor	Karen Williams	\$50,030
Div 1	Cr Wendy Boglary	\$19,189
Div 2	Cr Peter Mitchell	\$18,564
Div 3	Cr Paul Gollè	\$16,376
Div 4	Cr Lance Hewlett	\$20,000
Div 5	Cr Mark Edwards	\$20,006
Div 6	Cr Julie Talty	\$19,004
Div 7	Cr Murray Elliott	\$14,338
Div 8	Cr Tracey Huges	\$19,972
Div 9	Cr Paul Gleeson	\$19,000
Div 10	Cr Paul Bishop	\$11,963
TOTAL		\$228,444

Community grants

There are four categories under community grants:

- organisation support
- project support
- conservation grants
- capital infrastructure.

In 2017-18 a total of \$284,822 was provided to more than 34 individuals and organisations under the four categories above. Projects ranged from the Coochiemudlo Men's Shed's inaugural strategic plan to a sensory garden at My Horizon and turf replacement at Macleay Island Bowls Club.

Sponsorship

A total of \$224,400 was provided to 30 organisations to deliver projects and events ranging from the Queensland Triathlon Series in Cleveland to the Redland Blues Festival at Capalaba, Macleay Island Classic and Redlands Rockabilly Revival.

Council's in-kind sponsorship applications were offered online in 2017-18, streamlining the process and enhancing customer experience.

Council provided in-kind support to more than 30 events including marketing, traffic management, signage and equipment.

Full details of grants and sponsorship recipients are available on Council's website.

Regional Arts Development Fund

The Regional Arts Development Fund is a partnership between the Queensland Government and local governments, including Redland City Council. Council contributed \$48,450 towards these grants for 13 individuals and organisations. The Queensland Government through Arts Queensland contributed \$40,000.



GreaseFest

External grant funding received

The following Federal Government, State Government and other grants and subsidies were provided to Council in 2017-18:

Commonwealth Government department	Grant	Total
Department of Infrastructure, Regional Development and Cities	Financial Assistance Grant	\$5,429,245
	Roads to Recovery	\$2,292,524
Department of Health	Commonwealth Home Support Program	\$841,068
TOTAL		\$8,562,837

State Government department	Grant	Total
Department of the Premier and Cabinet	Queensland Anzac Centenary Lasting Legacies Grant	\$26,890
Department of Environment and Heritage Protection	Nature Refuge Landholder Grant	\$6,978
State Library of Queensland	First 5 Forever	\$140,193
	Public Library Services Grant	\$659,088
Department of National Parks, Sport and Racing	Get Out Get Active	\$30,284
	Get Playing Places and Spaces	\$50,000
Department of Local Government, Racing and Multicultural Affairs	Innovation and Improvement Fund	\$86,164
	Local Government Grants and Subsidies Program	\$665,357
Department of Innovation, Tourism Industry Development and the Commonwealth Games	Game On Grant	\$107,600
Arts Queensland	Regional Arts Development Fund	\$40,000
Department of Employment, Small Business and Training	First Start Program	\$56,250
Department of Innovation, Tourism Industry Development and the Commonwealth Games	Queen's Baton Relay Community Celebrations Grants Program	\$12,000
Queensland Reconstruction Authority	Get Ready Queensland	\$52,380
	Natural Disaster Relief and Recovery Arrangements	\$188,895
	Department of Science, Information Technology and Innovation: Advancing Regional Innovation Program	\$89,967
Department of Transport and Main Roads	Macleay Island boat launching facility	\$394,000
	Marine facilities and infrastructure	\$143,770
	Transport Infrastructure Development Scheme	\$874,188
Department of Transport and Main Roads, Translink Division	Public Transport Accessible Infrastructure Program	\$456,613
Department of Housing and Public Works	Home Assist Secure	\$606,389
Local Government Association of Queensland	QCoast2100	\$51,960
TOTAL		\$4,738,965

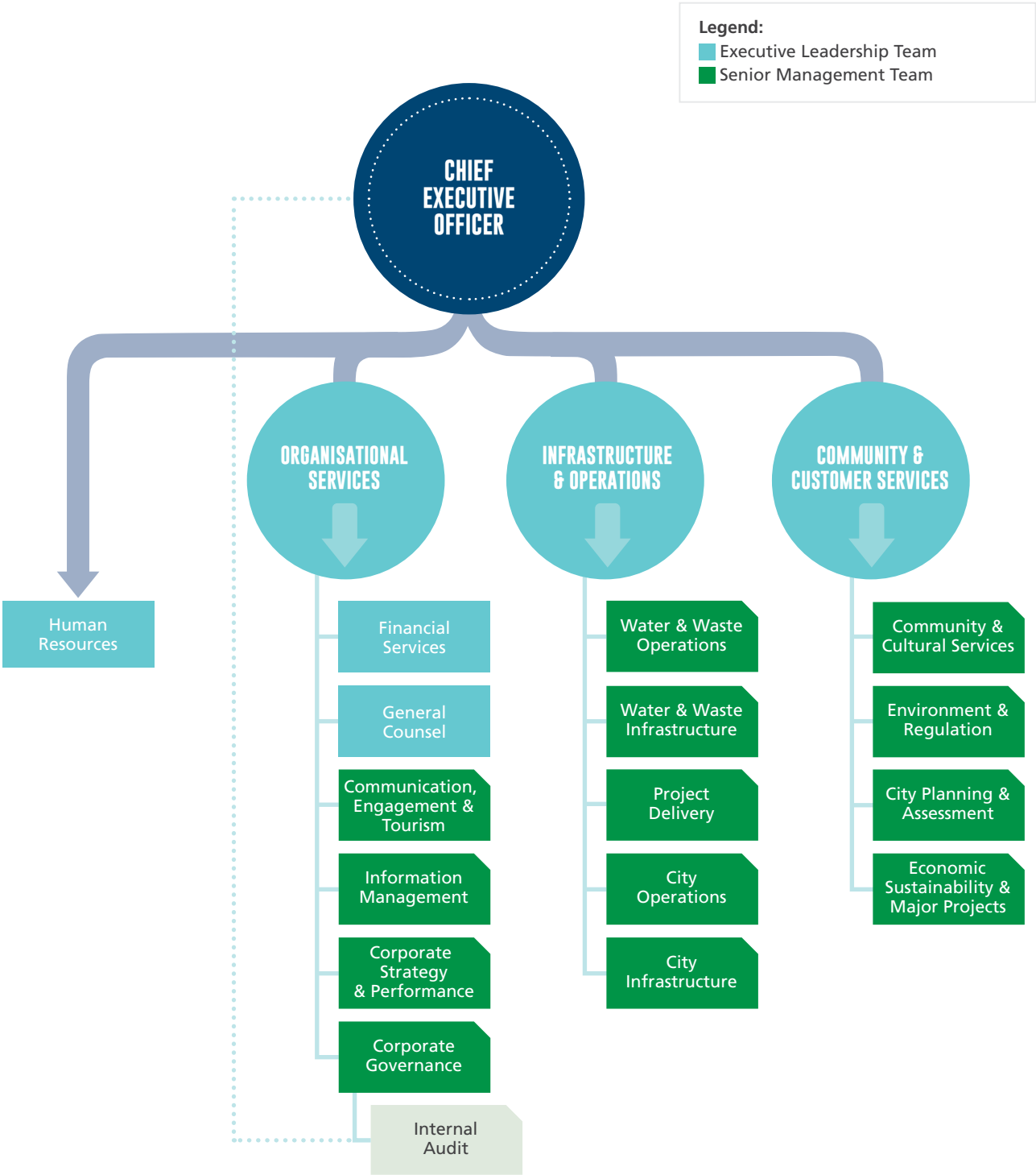
Other grants and subsidies	Subsidy	Total
State Emergency Services (SES)	Annual Local Government subsidy	\$18,150
TOTAL		\$18,150



OUR ORGANISATION



ORGANISATION STRUCTURE



EXECUTIVE LEADERSHIP TEAM



Chief Executive Officer **Andrew Chesterman**

Bachelor of Applied Science (Environmental Assessment & Land Use Policy); Graduate Diploma of Education; Graduate Australian Institute of Company Directors (GAICD);

Certificate of Organisational Coaching (Level 1 IECL); Member Local Government Managers Australia (MLGMA).

Andrew joined Redland City Council in April 2017. He has an extensive background in strategic leadership and public administration, bringing a wealth of state and local government experience to his role as Chief Executive Officer and head of Council's Executive Leadership Team. Andrew has held various senior executive and CEO positions within the public sector, including Chief Executive of the Queensland Public Service Commission, Director-General of the Department of Environment and Heritage Protection, and Divisional Manager, City Planning and Sustainability with Brisbane City Council.

Andrew's wide-ranging background also includes local government experience in the United Kingdom and a number of Victorian local councils. He has also worked in management consulting and secondary school teaching. Andrew is also a member and interim chairperson of the CSIRO Land & Water Advisory Committee.



General Manager Organisational Services **John Oberhardt**

Bachelor of Commerce; Master of Public Administration; Certified Practising Accountant (CPA); Queensland Local Government Clerk's

Certificate; Fellow of Local Government Managers Australia (LGMA); LGMA Queensland past president and Local Government Professionals Australia National Audit Committee; Fellow and Graduate Member of the Australian Institute of Company Directors (GAICD); Justice of the Peace (Qualified); Member International City/County Management Association.

John joined Redland City Council in April 2017 after working as a senior executive in local government for more than 30 years. During that time, he has worked in all areas of local government, particularly in finance, governance, strategic planning, human resource management, and administration, as well as with many industry and community groups, and inter-governmental working parties and local communities. He has held various public and private board and director positions. Prior to commencing his local government career he worked in the Commonwealth Bank. He is committed to the outstanding performance and reputation of Council, its employees, the local government industry and our communities.



General Manager Infrastructure & Operations **Peter Best**

Bachelor of Mechanical Engineering; Graduate Australian Institute of Company Directors (GAICD); Member Australian Institute of

Project Management; Member Institution of Engineers Australia.

Peter joined Council in January 2017. He is an experienced executive who, during his career, has led and managed large multidisciplinary project management, operations, maintenance, engineering and service delivery teams across a range of industry sectors.

He is a former General Manager Infrastructure Maintenance at Queensland Urban Utilities, Executive Director Infrastructure Programs with the Queensland State Government, Group Program Director with Boeing Australia Limited, and has held command and senior leadership roles in the Royal Australian Air Force.

A Redlander, Peter has broad experience in project management operations, asset maintenance, engineering and service delivery in both the private and public sectors, in Australia and overseas.



General Manager Community & Customer Services **Louise Rusan**

Bachelor of Business; Graduate Australian Institute of Company Directors (GAICD); Member of Local Government Managers

Australia (MLGMA); Certificate of Organisational Coaching (Level 1 IECL); Institute of Executive Coaching and Leadership.

Louise joined Redland City Council in January 2011. She brings to Council more than 20 years' experience in a diverse range of private and public sector industries, working in partnership with stakeholders to deliver quality outcomes. Prior to joining Council, Louise was the Chief Operating Officer for Queensland Motorways, responsible for customer services, engineering services and tolling operations for the Gateway and Logan Motorways and the Sir Leo Hielscher Bridges. Louise has previously worked in executive level roles at WorkCover Queensland, has been an Associate Director for a leading Queensland engineering consultancy and has worked in a not-for-profit organisation and in corporate consultancy.



Head of Human Resources Amanda Daly

Bachelor of Commerce; Graduate Australian Institute of Company Directors (GAICD); Certified Member of Australian Human Resources Institute (CAHRI); Life Styles

Inventory TM (LSI) Accredited Practitioner; Myers-Briggs Type Indicator (MBTI) Certified Practitioner; DISC Accredited Practitioner; Change Style Inventory (CSI) Certified Practitioner.

Amanda manages workplace health and safety, people development (which includes learning and development and organisational development), and workplace relations (which includes payroll, recruitment and selection and industrial relations). Amanda has operational management experience, previously managing the national award winning Contact Centre at Redland City Council.



Chief Financial Officer Deborah Corbett-Hall

Master of Mathematics (Honours); Master of Business (Professional Accounting); Fellow of Certified Practising Accountants (FCPA) Australia.

Deborah joined Redland City Council in 2006. As Chief Financial Officer, Deborah is responsible for providing leadership and influence across internal and external customer-facing finance functions. Deborah leads a diverse finance function and provides Council with support to manage in excess of \$2.5 billion of community assets within an annual budget of \$300 million. Deborah is the Project Sponsor for Council's transformational Asset Management Project.

Deborah has held leadership positions at Council since 2009, including overseeing the Corporate Finance portfolio and leading Council through the annual budget, long-term forecasting, and strategy development in financial planning. Deborah has also led the Commercial Business portfolio and Business Partnering service delivery within the Financial Services Group. Prior to joining Redland City Council, Deborah held several leadership positions in the United Kingdom within Jobcentre Plus, after serving in the Armed Forces.



General Counsel Andrew Ross

Bachelor of Law; Bachelor of Theology; Masters in Health Science.

Andrew has been with Redland City Council for almost 15 years as city solicitor, Chairperson of the Operational Risk Management Committee, liaison to the Crime and Corruption Commission and member of the Queensland Environmental Law Association.

Andrew has an extensive background in social services and public health and worked in private legal practices in Brisbane, Byron Bay and the Commonwealth Law Reform Commission. Andrew resides locally in the Redlands Coast.



OUR PEOPLE

People Strategy 2017–2020

Redland City Council is people focused, as we understand it is through our people that we produce great results and achieve what our Corporate Plan sets out to do. The People Strategy drives this outcome for our community through our ability to attract, keep, develop the best people and enable our people to achieve.

The People Strategy 2017-2020 was supported by an annual action plan and in 2017-18 focused on:

- enhancing change management capability through delivering an improved toolkit and intranet site, growing business understanding and use of the ADKAR Model and a dedicated change management function for the Asset Management Project
- updating the reward and recognition program to create more meaning for employees
- driving a safety and wellbeing culture through continued and new programs, including financial wellbeing courses
- undertaking the first employee survey, MySay, since 2015 to understand and focus on the key drivers for satisfaction, commitment and engagement levels at Council
- reviewing the employee performance framework with a stronger focus on managers having coaching conversations with their employees
- continuing to deliver mentoring and coaching programs to assist career development
- delivering the Mate to Manager course beyond the outdoor workforce to indoor employees
- introducing the new LEAP program – Lead, Engage, Adapt, Perform – to replace the previous corporate development program that steps employees through tiers of learning
- completing business requirements, improving processes and data cleansing in preparation for a new Human Resource Information System in 2018-19
- commencing negotiations for new Certified Agreements.

Recruitment and selection

To improve the governance and management of its temporary agency workers, Council appointed a sole, vendor-neutral, managed service provider. The provider was selected following an open tender process undertaken by Local Buy. Local Buy is owned by the Local Government Association of Queensland (LGAQ) and establishes supply arrangements harnessing the collective buying power of Queensland local government entities.

The successful provider was Comensura. From July 2018, the Recruitment and Selection Team will manage the process of engaging temporary agency workers, with Comensura offering the following benefits:

- negotiates best value agreements with many agencies and all of Council's current suppliers
- provides a single online system for managing and extending temporary agency worker contracts, and managing timesheets
- consolidates and processes payments to agencies on Council's behalf at pre-approved rates
- provides customer support service
- saves money and time when recruiting and managing temporary workers
- provides greater choice and flexibility in choosing agencies
- ensures compliance with internal procedures by mitigating risk and temporary agency worker procedures and processes.

Recruitment and Selection uses technology to allow mobility out in the business to provide a more efficient, customer-focused service in Council's recruitment process. The Human Resource Information System upgrade has resulted in the majority of the recruitment process able to be conducted online, reducing the need for hard copy documentation and streamlining the process.

As part of Council's Employee Value Proposition, job advertisements now heavily promote diversity and inclusion and flexible working conditions at Council.

Our employees' work benefits include a local government superannuation scheme, education assistance, employee development and training, an employee wellness program and flexible working arrangements.

Diversity and inclusion

We are committed to improving our diversity and inclusion and preventing discrimination within our organisation. A number of strategies and initiatives continued to be delivered in 2017-18.

- Through Workplace Health and Safety initiatives, we identified State and Federal Government-funded pathways for a more diverse, casual workforce in the outdoor space, including but not limited to people of differing genders, ages, abilities, and cultural backgrounds.
- Under the Challenge – Zero Tolerance program we undertook to improve the family and domestic violence support framework. This involved training our employees and identifying advocates and champions across all levels of Council. We also committed to policy and process improvement, including new safety specific processes, designing toolkits for champions and an awareness campaign within Council.

We continued to develop an Aboriginal and Torres Strait Islander Training and Employment Strategy in consultation with the Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC).

Leadership and corporate employee development

During 2017-18, the focus on leadership development was reviewed. Previously, there was a strong emphasis on building leader capability aligned to the Leadership Capability Framework. While this work continues, there has been a shift to build capability across the organisation at all levels.

The LEAP program has been designed to build capability at three levels – foundational, practice and mastery. The new program, coupled with the Internal and External Coaching Bench and the Mentoring Program, now offers an improved package for individuals seeking to develop, grow or stretch into current or future roles.

The Mate to Manager Program for emerging and current Team Leaders, initially designed for our outdoor workforce, has now become a signature program across our organisation.

Our Enabling Leaders (Group Managers) development program continues with our senior leaders undertaking workshops to 'work on the business' to develop new strategy and direction.

These programs ensure our leaders are working at the right level in the strategic, tactical or operational requirements of our organisation and are receiving the right skills, knowledge and experience to better deliver on our business goals and outcomes. This ultimately provides a better service and quality of product to our community.

Developing our talent management business process was also a focus. This will ensure we move into the future with the right people in the right jobs at the right time and will help us meet the challenges of the next few years. Key focus areas include:

- major changes to Council's workforce demographic (ageing workforce)
- an increasing focus on efficiency and delivering performance outcomes
- an increasing focus to meet customer expectations
- a demand to keep up to date and invest in technology such as e-services/social media
- a growing city and greater infrastructure.

Trainee and apprenticeship program

Council currently has six trainees and apprentices across Business Administration, Sport and Recreation, Waste Management, Animal Management and Automotive Mechanics work areas.

Council has retained Maxima as the Group Training Organisation to ensure we offer a sustainable and improved experience for trainees, apprentices, supervisors and Council.

Council's program supports school-leavers, youth at risk, Indigenous and mature-aged people looking at re-entering the workforce, and other applicants who face barriers to employment. The placement of trainees and apprentices within Council is instrumental in our succession planning for a changing and ageing workforce.

Employee satisfaction

In May 2018, Council conducted an organisation-wide employee survey (MySay Survey 2018) with the aim that *'our people will be even more engaged, with a new employee survey in place and clear actions for improvement identified with accountabilities assigned'*. Almost 90% of employees participated in the survey that measured engagement, commitment and loyalty, and satisfaction within the organisation.

The survey results showed the organisation is in a positive and solid position, with Council placing in the top quartile for organisations benchmarked. Across 67 performance metrics, Council scored similar or higher to other organisations tested on 94% of the metrics. High-level results were presented to the Operational Leadership Group in June 2018. Group level results will be rolled out from July 2018 onwards, with action planning to follow.

Certified Agreement

Council's Certified Agreements nominally expired on 30 June 2016, and did not place an obligation on Council for the payment of any future wage increases beyond that date. However, Council provided a discretionary administrative increase in the financial years 2016-17 and 2017-18, following the expiration of both agreements. The inability to formally bargain until 1 April 2017 was due to the statutory embargo on the negotiation of new Certified Agreements under the former *Industrial Relations Act 1999*, until such time as the Local Government Award modernisation process had concluded. Council formally commenced the bargaining of new Certified Agreements with unions in June 2018. In the interests of the Redlands Coast community, Council's position is to negotiate a fair wage increase for all employees while gaining improvements to its Certified Agreements to help meet the contemporary needs of Council's business.

Safety and wellbeing

Council's Safety First agenda continued to grow and develop in 2017-18, with a major focus on mental health and wellbeing of our officers and addressing the challenges of an ageing workforce. Our Safety Management Plan continued to provide direction for Council to work towards the vision of preventing all work-related injuries and illnesses. Positive results were received in the annual external audit of our Safety Management System. We continued work on a Hazards of Work project, which involved hazard identification and risk control development across all of Council.

Council continues to address emerging hazards with proactive programs including Fit for Work, Fit for Duty, Occupational Violence Prevention, Safe Operation of Unmanned Aircraft, and Working in Emergency Situations. Our focus on the health and wellbeing of our people was strengthened and we delivered improved services including:

- Mental Health First Aid Courses (new)
- Outreach Work Support Service, with monthly visits to remote workplaces
- financial wellbeing education sessions
- Retire Well services
- occupational violence prevention programs.

Our frontline leaders continued to work on embedding safety culture, refining safety systems and demonstrating safety leadership. Further improvements were incorporated into Council's Safety Management System software (Vault), enabling better reporting and application-based features to be rolled out. These will improve information flow from the worksite with advanced business intelligence functions and portal interfaces.



Mate to Manager Program graduates

Employees at a glance

Total number of employees

Permanent	728
Permanent part-time	103
Temporary contract of service full-time	89
Temporary contract of service part-time	21
Contract of service (executive)	19
Casual	46
TOTAL	1006

Corporate profile

Full-time equivalent (FTE) employees	920.75
Full-time permanent positions	901
Part-time permanent positions	46
Full-time temporary positions	100
Part-time temporary positions	9
New full-time permanent positions	45
New part-time permanent positions	0
New full-time temporary positions	45
New part-time temporary positions	0
New casual positions	4
Absenteeism	4.7%

Employees recruited

Internal (under Redland City Council Officers' Agreement)	91
External (under Redland City Council Employees' Agreement)	37
TOTAL	128

Employee departures

Employee-initiated turnover rate	10.43%
Employer-initiated turnover rate	2.01%
Employees made redundant	4
Employees redeployed/retrained due to redundancy	0

Gender balance

	Female	Male
Executive/Senior Management Team	31.58%	68.42%
Total employees	52.49%	47.41%

Executive Leadership Team

Remuneration range (total package)	Number of Executive Leadership Team paid
\$400,000 to \$500,000	1
\$300,000 to \$400,000	3
\$200,000 to \$300,000	3
TOTAL AMOUNT PAID during reporting period	\$1,127,258.58

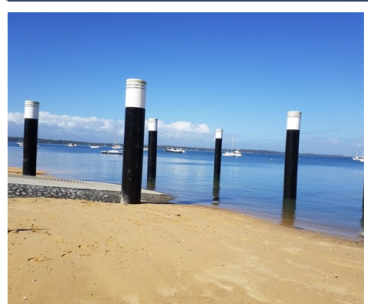
YOUR ASSETS

The community owns in excess of \$2.5 billion of assets and Council takes great pride in managing and maintaining these assets to support the delivery of Council services. Asset management is at the core of everything Council does; determining the service levels and asset lifecycles drives our capital program, which designs and creates new assets each year.

Council's capital program was more than \$69 million for 2017-18, resulting in new, renewed or upgraded facilities for residents and visitors to our city.

2017-18 saw progress of the Asset Management Project with the adoption of an Asset Management Governance Model and creation of a new Strategic Asset Management Function. Council has conducted a second asset maturity self-assessment to ensure the focus of its asset management practice is congruent with ISO 55000 principles. Through the self-assessment process Council gained:

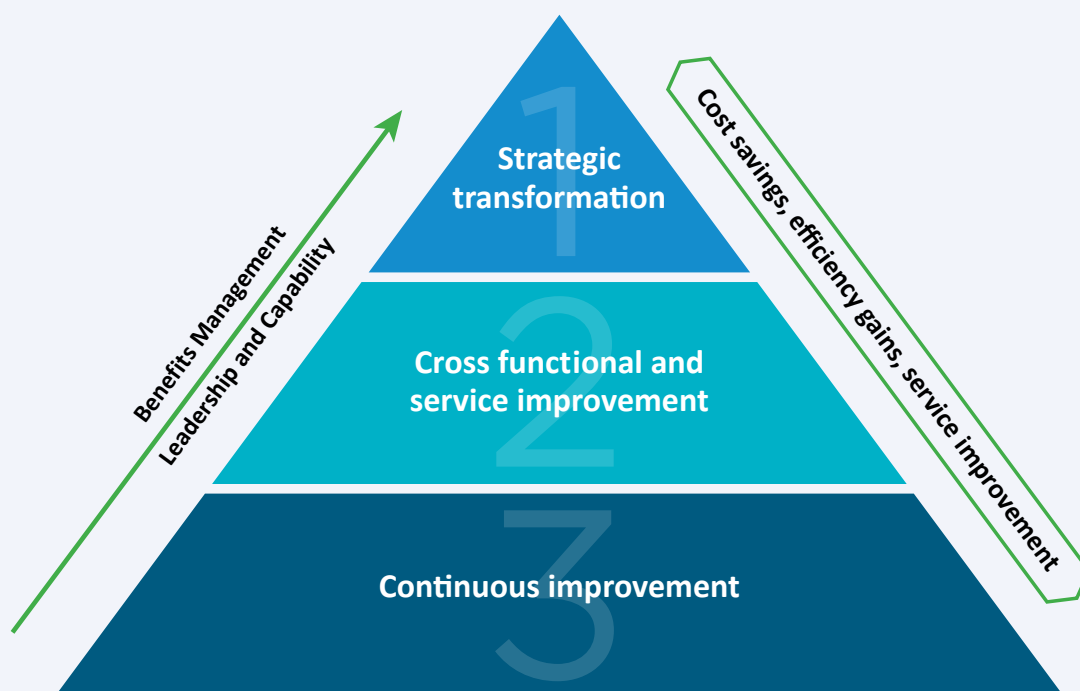
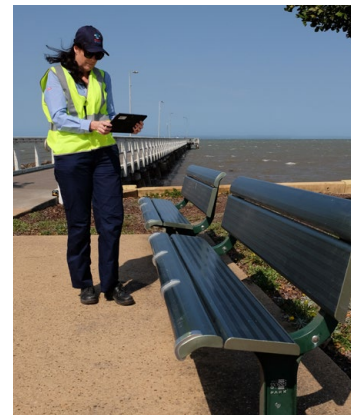
- an awareness of the current maturity of infrastructure asset management practices (highlighting key focus areas);
- an understanding of the areas of improvement in its asset management practices since September 2016; and
- a robust maturity model that provides the platform for repeatable maturity assessments.



BUSINESS TRANSFORMATION AT REDLAND CITY COUNCIL

In April 2018, Council redesigned its Business Transformation Program to a more customer-centric design. The program is delivered through three tiers of transformation:

- **Continuous improvement** – part of Council's performance culture, with all employees empowered to make business improvements through process changes that help them to work more efficiently and effectively.
- **Cross-functional and service improvement** – focused on business improvement that delivers significant efficiency gains as a result of cross-functional process and service improvements.
- **Strategic transformation** – focused on transformation initiatives identified and prioritised through strategic planning and analysis that deliver significant changes and savings in organisational practice.



Two key strategic transformation initiatives were under way and continue:

- **The Asset Management Transformation** aims to ensure Council's asset management is aligned with international standards and current technology, and able to provide sustainable infrastructure and a platform for effective and efficient service delivery consistent with Redland City Council's Corporate Plan.
- **The Procurement Transformation** aims to ensure that Council's expenditure in delivering our goods and services contributes to wider policy goals and delivers good value for money to our community through reduced costs and streamlined processes in sourcing, speed, and spend.



GOVERNANCE AT REDLAND CITY COUNCIL

Community Plan

The Redlands 2030 Community Plan, adopted by Council in 2010, was developed with extensive input from our community. This plan responds to local, national and global challenges. The Redlands 2030 Community Plan sets out a vision for 2030.

As articulated in the plan, in 2030 our city will be a well-designed, vibrant city of mainland and island communities, each with distinctive character, heritage and lifestyles. Our shared values will shape the way we care for each other and how we protect the land, seas and waters of the Redlands Coast.

The plan sets out eight outcomes:



Corporate Plan

The Corporate Plan sets out Council's vision, mission and values as well as outlining what Council will do to progress the eight outcomes in the Community Plan. Council's Corporate Plan 2015-2020 was updated in May 2018 to reflect Council's progress in implementing strategic outcomes and commitments. The Corporate Plan 2018-2023 includes Council's strategic priorities and sets out how it will deliver the Redlands 2030 Community Plan through delivery of the 2023 outcomes, which are structured around the eight outcomes in the Community Plan.

Operational Plan

Each year, Council develops and adopts an Operational Plan, which sets out what we plan to do during the financial year to deliver the Corporate Plan. Operational planning is closely linked to budget development.

The significant activities in the Operational Plan 2017-18 contributed to the implementation of the Corporate Plan 2015-2020 and were delivered by teams across Council. Progress against the Operational Plan was reported every three months to the Mayor and Councillors, with these reports available on Council's website. A summary of Council's performance against the Operational Plan is outlined on pages 43-80.

Right to Information and Information Privacy

The *Right to Information Act 2009* and the *Information Privacy Act 2009* provide the community with access to information, balanced by appropriate protection for individuals' privacy. The public can apply for access to documents held by a Council, unless it is contrary to the public interest to provide that information. The legislation also allows individuals to apply for amendments to be made to documents concerning their personal affairs, where it is believed the information is incomplete, out of date, inaccurate or misleading.

Applications received under the <i>Right to Information Act 2009</i>	39
Applications received under the <i>Information Privacy Act 2009</i>	7
Applications received under the <i>Information Privacy Act 2009</i> to amend personal information	0
Total Right to Information and Information Privacy applications received	46
Total Right to Information and Information Privacy pages processed	6,058
Applications received for internal review	2
Applications for external review with the Office of the Information Commissioner	5

Council received a total of 46 Right to Information and Information Privacy applications during 2017-18, and there were two applications on hand at 1 July 2017. A total of 42 decisions were issued to applicants within legislative timeframes. Two applications were withdrawn by the applicants. Council refused to deal with one application as it would substantially and unreasonably divert resources.

Two internal review applications were received and finalised under the *Right to Information Act 2009*, and both decisions were upheld.

The Office of the Information Commissioner Queensland (OIC) received five requests for external review of decisions by Council. The OIC upheld one external review, affirming Council's decision. One application lodged by a third party was withdrawn, and documents were released to the applicant in accordance with Council's original decision. Three external review applications are yet to be finalised.

There were two Right to Information applications, two Information Privacy applications, and three external review applications on hand at 30 June 2018.

Risk management

Council's commitment to an enterprise-wide risk management program remains steadfast. Significant risks are identified and managed as far as reasonably can be achieved in accordance with the principles of the Australia/New Zealand/ISO Standard 31000.

The primary documentation in place to achieve this includes Council's Enterprise Risk Management Framework and its accompanying Risk Assessment Handbook.

Formal Risk Registers cover strategic, operational and project risks. Regular reviews of these registers take place to ensure the currency of the identified risks and track additional risks.

Council's Operational Risk Management Committee (ORMC) continues to review and endorse the risk registers. Under the direction of the ORMC, risk areas of note are to receive closer scrutiny.

Fraud and corruption prevention

Council's Fraud and Corruption Prevention Policy (POL-3060) forms part of our overall approach to transparent corporate governance. The policy informs all Council officers, Councillors, consultants and contractors of Council's position regarding fraud and corruption and the consequences of failing to comply with the provisions of the policy. Council is committed to:

- a zero-tolerance approach to fraud and corruption
- corruption and fraud control and management as an integral component of effective corporate governance
- transparent and accountable processes consistent with sound business practices and organisational standards of compliance
- preventing fraud and corruption and investigating all suspected incidents and taking appropriate action
- maintaining an integrated Fraud and Corruption Prevention Framework to minimise the impact and reduce the risk of fraud and corruption within the work environment.

The full Fraud and Corruption Prevention Policy can be viewed on Council's website.

Administrative action complaints

Council is committed to the fair management of administrative action complaints. This commitment is underpinned by our Complaints Management Process Policy (POL-3037), which supports Council's priority to deliver inclusive and ethical governance for the community. The policy includes clear accountabilities, ethical standards of behaviour and a commitment to act in accordance with the principles contained in the *Local Government Act 2009* ('the Act'). The policy outlines a clear administrative method of handling and resolving complaints made by community members about various issues, including:

- a decision, or failure to make a decision
- an act, or failure to do an act
- the formulation of proposal or intention
- the making of a recommendation.

During 2017-18, the following statistics were reported in accordance with the requirements of section 187(2) of the *Local Government Regulation 2012*:

Number of complaints outstanding at 1 July 2017	4
Number of complaints opened for the reporting period	32
Number of complaints resolved in the reporting period	33
Number of complaints outstanding at 30 June 2018	3

The full Complaints Process Policy is available on Council's website.

Mayor and Councillor conduct

The Act provides a framework for assessing complaints about the conduct or performance of Councillors. Under the Act, each complaint is required to be assessed to determine whether it is about inappropriate conduct, misconduct, corrupt conduct under the *Crime and Corruption Act 2001* or another matter. If the complaint is not frivolous, vexatious or lacking in substance, it is referred to the appropriate individual, panel or tribunal for investigation.

Council received 18 Councillor complaints this reporting year.

In accordance with the requirements of the *Local Government Regulation 2012*, Council is required to provide data on all complaints relating to Councillors received in the reporting year in its annual report. Complaints that have been determined as frivolous, vexatious, or lacking in substance do not appear in the table below.

Section of the Act	Type of complaint/orders made	Number
176C(2)	Complaints about conduct or performance for which no action was taken	5
176C(3)(a)(i)	Complaints referred to the (state) department's Chief Executive about inappropriate conduct of the Mayor or Deputy Mayor	0
176C(3)(a)(ii)	Complaints referred to the Mayor about inappropriate conduct by a Councillor	13
176C(4)(a)	Complaints about misconduct referred to the (state) department's Chief Executive	0
176C(4)(b)	Complaints about misconduct referred to the Regional Conduct Review Panel	1
	Complaints about misconduct referred to the Tribunal	0
176C(5)	Complaints assessed by Council's Chief Executive Officer as being about corrupt conduct	0
176C(6)	Complaints about another matter	0

In accordance with the requirements of section 186(d) of the *Local Government Regulation 2012*, Council advises that for the 2017-18 reporting period the following statistics were reported:

Number of orders and recommendations made under section 180 (2) and (4) of the Act	1
Orders made under section 181 of the Act	3

Complaint orders/recommendations summary detail reported in accordance with section 186(e) of the *Local Government Regulation 2012*

The name of each Councillor for whom an order or recommendation was made under section 180 of the Act or an order was made under section 181 of the Act	A description of the misconduct or inappropriate conduct engaged in by each of the Councillors	A summary of the order or recommendation made for each Councillor
Councillor Paul Gleeson	Altercation on social media page that was offensive and threatening	22 August 2017 – Councillor reprimanded by Mayor regarding social media use and policies
Councillor Paul Gleeson	Inappropriate conduct during a visit to a private resident	19 October 2017 – Councillor reprimanded by Mayor for inappropriate conduct and behaving in a manner that is below what is expected of a Redland City Councillor
Councillor Paul Gleeson	Inappropriate social media comments relating to a sporting club	20 November 2017 – Councillor reprimanded by Mayor for inappropriate conduct, for failing to comply with Council procedures and policies and behaving in an offensive and disorderly manner
Councillor Paul Gleeson	Misconduct for more than three substantiated complaints in one year	9 April 2018 – Regional Conduct Review Panel determined matter to be treated as misconduct, and Councillor Gleeson be reprimanded

The full register of Councillor conduct complaint outcomes is available on Council's website.

Internal Audit

Internal Audit provides Councillors and management with assurance that internal control systems are efficient, effective and economically viable, and that risk is appropriately addressed so objectives can be met. Internal Audit operates in accordance with Council's Internal Audit Charter, which sets out the mandate, roles and responsibilities of the function.

Internal Audit is an independent function within Council, reporting to the CEO and the Audit Committee about audit and investigation findings. For administrative, financial and employee management, Internal Audit reports to the Group Manager Corporate Governance.

Internal Audit reviews and provides advice on:

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

In 2017-18, Internal Audit's findings confirmed that a satisfactory internal control environment exists within Council.

Audit Committee

The objective of the Audit Committee is to promote good corporate governance through independent oversight and advice in accordance with the *Local Government Act 2009*, the *Local Government Regulation 2012* and Council's Audit Committee Charter.

The Audit Committee complements the relationship between Internal Audit and the wider organisation, safeguarding Internal Audit's independence and further increasing the Internal Audit function's effectiveness and value to Council.

The Audit Committee comprised the Mayor, Cr Paul Gleeson, Mr Peter Dowling and Mr Virendra Dua, with Cr Gleeson appointed by Council as the Chairperson of the Committee.

The Audit Committee meets four times a year, of which one meeting is for the purpose of reviewing the draft annual financial statements prior to submission to the Queensland Audit Office.

External audit

Council is audited annually by the Queensland Audit Office, which reports to Queensland Parliament as part of its role to enhance public sector accountability. It continuously reviews and assesses the internal control environment surrounding Council's financial and related systems and practices. This provides a statutory mechanism for external review of Council's financial operations and other corporate matters affecting the sound management of the organisation.

COUNCIL PERFORMANCE

DELIVERING ON COUNCIL'S CORPORATE PLAN AND PRIORITIES

**HEALTHY
NATURAL
ENVIRONMENT**



GREEN LIVING

**EMBRACING
THE BAY**



**QUANDAMOOKA
COUNTRY**

**WISE PLANNING
AND DESIGN**



**SUPPORTIVE
AND VIBRANT
ECONOMY**

**STRONG AND
CONNECTED
COMMUNITIES**

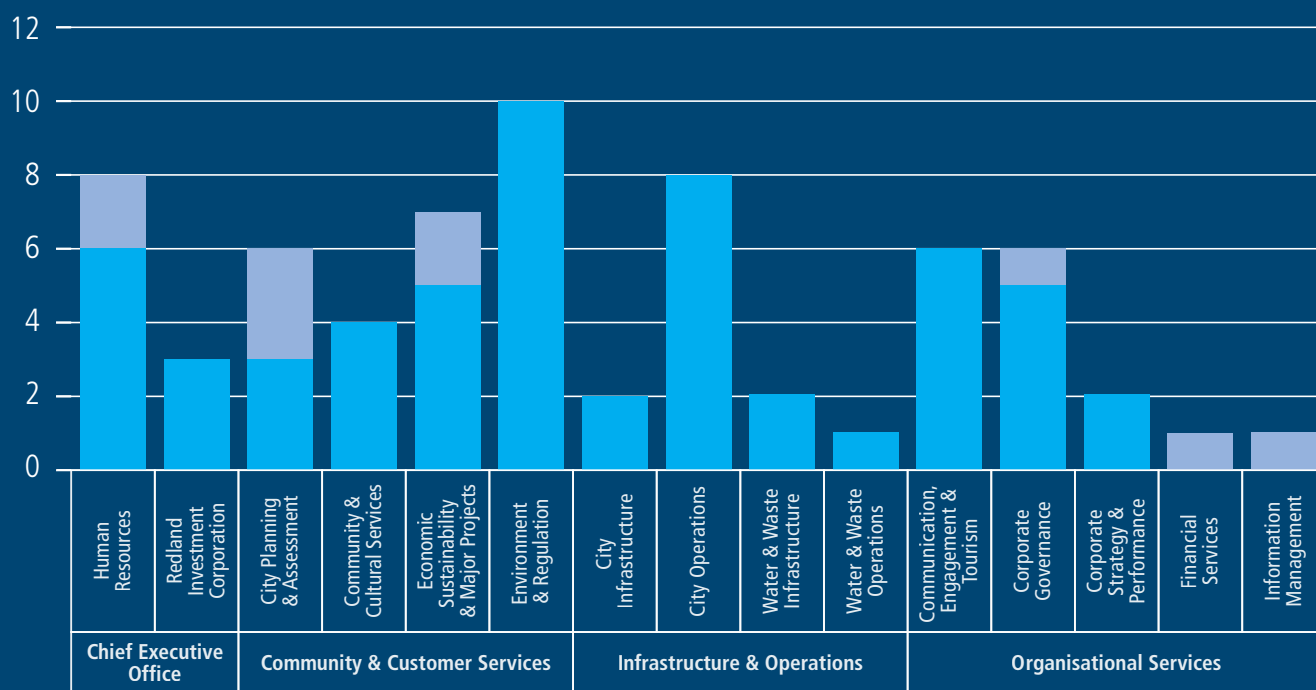


**INCLUSIVE
AND ETHICAL
GOVERNANCE**

In Council's 2017-2018 Operational Plan 67 significant activities were identified to progress implementation of the Corporate Plan 2015-2020. Of the 67 significant activities, 57 activities were completed and 10 are being monitored through to completion. The following graphs show a breakdown of how each department progressed towards delivery of these activities, as well as a summary of the delivery against the eight vision outcomes identified in the Corporate Plan.


Organisational performance – annual summary

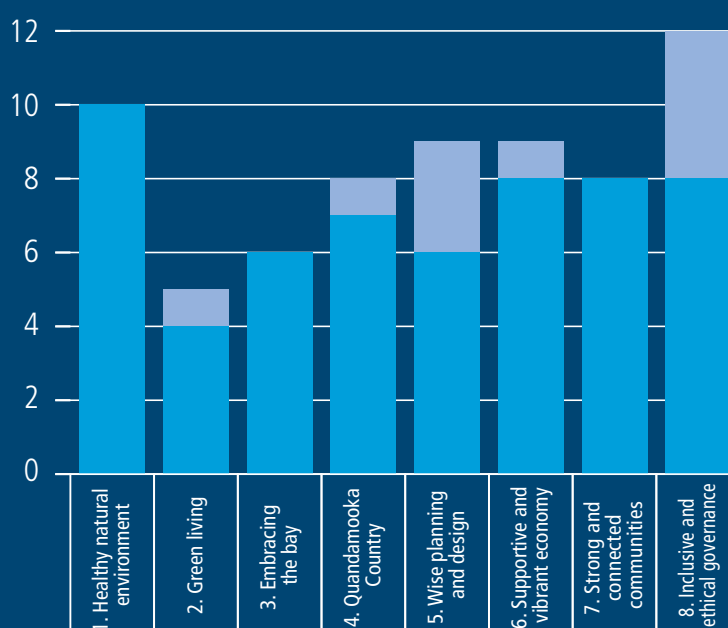
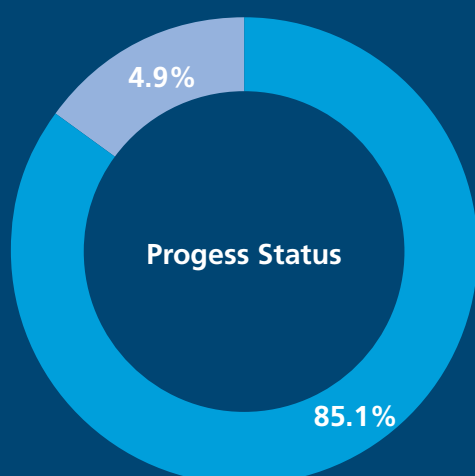
Department	Complete	Monitor	TOTAL
Chief Executive Office	9	2	11
Community & Customer Services	22	5	27
Infrastructure & Operations	13	0	13
Organisational Services	13	3	16
TOTAL	57	10	67



- Complete The significant activity has been delivered
- Monitor There are issues with timeframes and/or budget but it is still expected that, with close monitoring, the significant activity will be delivered

Vision outcome summary

Vision outcome	Complete	Monitor	TOTAL
 1. HEALTHY NATURAL ENVIRONMENT	10	0	10
 2. GREEN LIVING	4	1	5
 3. EMBRACING THE BAY	6	0	6
 4. QUANDAMOOKA COUNTRY	7	1	8
 5. WISE PLANNING AND DESIGN	6	3	9
 6. SUPPORTIVE AND VIBRANT ECONOMY	8	1	9
 7. STRONG AND CONNECTED COMMUNITIES	8	0	8
 8. INCLUSIVE AND ETHICAL GOVERNANCE	8	4	12
TOTAL	57	10	67



Complete The significant activity has been delivered

Monitor There are issues with timeframes and/or budget but it is still expected that, with close monitoring, the significant activity will be delivered



VISION OUTCOME 1

HEALTHY NATURAL ENVIRONMENT





01

HEALTHY NATURAL ENVIRONMENT

A diverse and healthy natural environment, with an abundance of native flora and fauna and rich ecosystems, will thrive through our awareness, commitment and action in caring for the environment.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

<p>1. Annual waterways recovery report and rating.</p>	<p>Most creeks in Redlands Coast showed typical characteristics of below average rainfall during 2017-18, resulting in less water flow and flushing. This created stagnant pools where nutrients become concentrated. Coolnwynpin Creek Catchment and Russell Island Wetlands recorded notable decreases in condition, due to increased suspended sediment and low dissolved oxygen levels. Upper Tingalpa Creek holds high ecological value and continues to show good water quality. Some creeks in the southern area of the city had re-occurring water pollution issues. Fish surveys continued in 2017-18 throughout the city and a Pest Fish Management Plan was produced. Significant and uncommon species of fish were found in Coolnwynpin, Hilliards, Erapah and Upper Tingalpa creeks. The vulnerable oxleyan pygmy perch was recorded on North Stradbroke Island.</p> <p>During 2017-18, actions were undertaken to:</p> <ul style="list-style-type: none"> • collaborate with industry professionals to facilitate workshops and directly engage the construction industry on erosion and sediment control best practice • rectify stormwater asset defects, enhance pollutant-capturing potential of bio-basins and modify sediment fore-bays to improve cleaning time and function • construct floating wetlands with local landholders to improve water body condition • improve the condition of native vegetation along urban and rural waterways through Council land management and landholder extension programs.
<p>2. The number of volunteers and hours spent caring for natural assets.</p>	<p>More than 427 volunteers spent 6,068 hours caring for our natural assets. Key activities included three major community plantings, events at IndigiScapes, and the work of 39 Bushcare groups.</p> <p>The three major plantings were:</p> <ul style="list-style-type: none"> • National Tree Day planting held at Fielding Park, Redland Bay • glossy black cockatoo tree planting held at denham boulevard park, redland bay • koala conservation tree planting held at Erapah Creek corridor – Bunker Road, Victoria Point.
<p>3. Participation in fauna monitoring, protection, rescue and recovery programs.</p>	<p>116 volunteers spent more than 8,820 hours participating in fauna rescue and recovery programs, including monitoring and surveying threatened species and delivering Redlands Wildlife Rescue Service.</p>
<p>4. The number of enhancement projects completed each year to improve access, safety and comfort for visitors.</p>	<p>12 projects were completed in 2017-18:</p> <ul style="list-style-type: none"> • construction of shared-use trails as part of trail care and the Bayview Conservation Area project • construction and upgrades of multi-use trails • installation of new horse stiles and entrances • delivery of 22 trail care days and one trail care display at Bayview Conservation Area and Redlands Track Park • installation of canoe launch points • development and installation of new signage and trail markers • installation of two trailhead shelters with water, horse/dog trough, seat and maps • modification of existing taps to better suit horse users • installation of trail use counters • completion and formal opening of the Bayview Conservation Park project • modification of entrances to reduce unlawful use of reserves and protect the safety of visitors and environment • installation of the fauna-friendly fence at the southern end of Redland Track Park.

2017-18 significant activities

IndigiScapes continues to grow



The first stage of a five-year \$3.7 million expansion of Redlands Coast's IndigiScapes Centre at Capalaba kicked off in August 2017, with the turning of the first sod for a bigger and better native plant nursery. The IndigiScapes nursery specialises in sourcing and propagating local native plant species and is a vital source of stock for Council's citywide planting program. Council also opened talks with the Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC) with a view to introducing authentic Indigenous cultural heritage experiences to IndigiScapes.

Koala conservation – detection dogs



From late April 2018, specially trained koala detection dogs and their expert handlers started a city-wide Koala Population Assessment. The unique tracking program is part of Council's five-year Koala

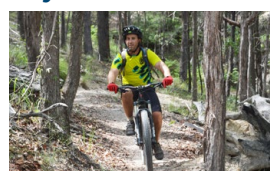
Conservation Strategy. The strategy and five-year action plan progressed this year from planning into delivery, with the commencement of koala population and location research and surveys, genetic sampling and city-wide population mapping. The Wildlife Connections Plan 2018-2028 and five-year action plan was finalised and adopted by Council, and implementation of actions are under way.

Planting native trees



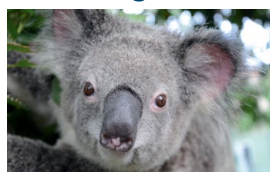
In 2017-18, a total of 94,898 additional plants were planted by Council and Community Bushcare, contributing to the 1 Million Native Plants project. Approximately 177,600 native plants have been planted since the count began on 1 July 2016.

Bayview Conservation Area upgrade



The Bayview Conservation Area was upgraded with a new staging area, car park, toilets, shelter, water, shower, horse trough, bike washdown area and map signage. A range of new trails and signage has been constructed throughout the reserve.

Protecting native wildlife



More than 5,500 calls were received from the Redland Wildlife Rescue Service and more than 8,820 volunteer hours were given to the management and protection of wildlife. There was increased

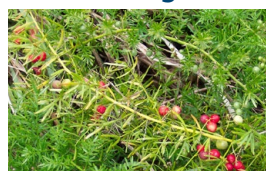
community participation at the annual curlew count and the North Stradbroke Island koala survey. Council participated in glossy black cockatoo conservancy, flying fox heat stress planning and monitoring of the virtual fence trial at Heinemann Road, Redland Bay.

Engagement



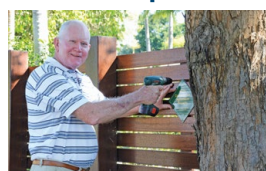
Council officers attended 257 private properties participating in a range of programs including Land for Wildlife, Koala Conservation Agreement Program, Waterways Extension Program, Bushcare and Your Backyard Garden. There were also 55 school visits and IndigiScapes excursions, with more than 1,500 participants. Indigi Day Out was held in June 2018, with more than 3,000 visitors to the centre exploring the veteran trees campaign.

Land management extension programs



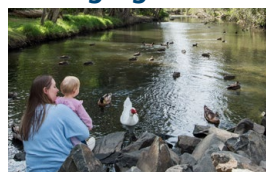
Community Bushcare delivered more than 270 working bees and planted 6,670 plants in the city. Additional community engagement involved Trees for Weeds campaign (mainland and Southern Moreton Bay Islands), vertical garden workshop, wildflower walk, community talks, eucalypt identification workshop and Indigi Day Out. The environment extension program (habitat protection) delivered a range of other initiatives including National Tree Day plantings and a Land for Wildlife fungal ecology workshop. Further community talks included those on cane toads, horse management and snakes.

Partnerships



Council increased property partnerships with private landholders, resulting in 182 Land for Wildlife, 80 Koala Conservation, 103 Waterways extension and 70 Your Backyard Garden participants.

Managing water bodies



Council commenced development and implementation planning for a de-watering management plan for all Council water bodies. Council investigated and monitored the implementation of options for its water bodies through designs, acquisitions, condition assessments and responses from the community. There are 180 water bodies identified on Council land.

Conservation and restoration



Conservation restoration works were completed as planned. This included weed control, soil conditioning and the revegetation of degraded sites. Priority areas included Coolnwynpin, Tarradarrapin, Hilliards, Moogurrapum and Erapah catchments.



VISION OUTCOME 2

GREEN LIVING



02

GREEN LIVING

Our green living choices will improve our quality of life and our children's lives, through our sustainable and energy efficient use of resources, transport and infrastructure, and our well informed responses to risks such as climate change.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Annual corporate greenhouse gas emissions.	Council increased overall kilowatt per hour consumption and greenhouse gas emissions by 3.4% in the Cleveland Administration Building, Cleveland Library, Capalaba Place and South Street Depot. This slight increase in energy consumption was primarily due to upgrades at the South Street Depot. Greenhouse emissions totalled 1,660 tonnes of CO ₂ -e (Carbon Dioxide equivalent) at these main building facilities for 2017-18. Council reduced fleet fuel litre usage by 1.85%, which reduced fleet emissions by 32 tonnes of CO ₂ -e.
2. Number of activities that educate, provide information and advocate sustainable building design for the community.	In 2017-18, Council achieved its goal to install solar systems on Council facilities, with new panel arrays installed on the South Street Fleet building, animal shelter and IndigiScapes nursery. Development of Council's Carbon and Energy Dashboard is providing up-to-date information about energy usage and emissions from all areas of Council to support decision making about sustainable building and renewable energy practices. Detailed assessments were undertaken to establish solar farms at Council's wastewater treatment plants to reduce the carbon footprint of these facilities.
3. Council's resource recovery rate (percentage recycled).	44.6% (target 49.4%)
4. Kilometres of pedestrian pathways and cycleways.	The footpath and cycleway network was extended in 2017-18 to 496km.



2017-18 significant activities

Waste reduction



The voluntary kerbside green waste collection service was expanded by 1,247 bins to almost 20% of the city, collecting 3,769 tonnes of garden organics. Similarly, promoting the availability of larger recycling

bins and encouraging improved recycling behaviour has resulted in an improved kerbside resource recovery rate of 26.2% (2017-18) against 25.9% (2016-17). Overall resource recovery for all waste generated in the city reduced to 44.6% (2017-18) from 46.3% (2016-17) as a result of changes to timber management at mainland waste transfer stations.

Transport planning



The draft Redlands Coast Transport Strategy was prepared. It is intended for this document to be released for community consultation following Council endorsement, and then finalised and adopted by Council in

2018. The Cleveland Traffic and Transport Strategy project has progressed through the community consultation stage and into the final drafting stage.

Renewable energy



The renewable energy feasibility study initial works were completed, with the implementation of the Redland City Council Climate and Energy Dashboard. This is an internal energy monitoring system

that allows for tracking and monitoring of Council's energy consumption. Roof-top solar panels were installed at Council's Depot Fleet Maintenance building. The contract to install rooftop solar panels to the Animal Shelter building and IndigiScapes nursery was also awarded.

Waste management services



Terms of reference were developed for a bulk waste disposal plan to incorporate current and future needs and opportunities for regional collaboration. Council researched and responded to changes on new

Federal and State government waste policy developments. Council joined the newly created Waste Working Group through Council of Mayors (SEQ) to advocate for new opportunities for waste management that offer collective benefit across the region. Planning for potential new future services occurred in waste collection and recycling contracts as they were renewed.

Rehabilitation and remediation work continued on closed landfills to mitigate the risk of environmental harm, with regular site inspections and environmental monitoring conducted. Site capping and drainage works were completed at Duncan Road baseball fields. Design was completed for a leachate collection trench and capping improvement at Judy Holt Park on the northern batters.

Vegetation and capping maintenance, together with de-silting of the stormwater ponds, occurred at the Birkdale landfill.

Climate change



The Redland City Council Green Living Policy review was completed by officers, resulting in additional recommendations to amend and revise the Climate and Energy Action Plan.





VISION OUTCOME 3

EMBRACING THE BAY



03

EMBRACING THE BAY

The benefits of the unique eco-systems, visual beauty, spiritual nourishment and coastal lifestyle provided by the islands, beaches, foreshores and water catchments of Moreton Bay will be valued, protected and celebrated.

Overview

Corporate Plan 2015-2020



**DELIVERED VIA
Operational Plan 2017-18**





EMBRACING THE BAY

2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Annual Healthy Waterways report card rating.	<p>Redlands overall rating: C Waterway benefits rating: ★★★★★☆</p> <p>In 2017-18, there were 400 private landholders and 39 community Bushcare groups involved in activities to protect and improve waterways.</p>
2. Quality of life data for island communities (Australian Bureau of Statistics Socio-Economic Index for Areas).	<p>Index of Relative Socio-economic disadvantage (IRSD) – the lower the score, the higher the level of disadvantage:</p> <ul style="list-style-type: none"> • SMBI – 813.5 (2016 IRSD) • Coochiemudlo – 920.2 (2016 IRSD) • NSI – 934.4 (2016 IRSD) • Redland City – 1027.0 (2016 IRSD).
3. Implementation of the Redland City Disaster Management Plan.	<p>The focus in 2017-18 was on reviewing the Redland City Disaster Management Plan and evaluating the recovery planning component. The plan was assessed against the Emergency Management Assurance Framework standards as outlined by the Office of the Inspector General Emergency Management and was found to perform to a strong level. 'Exercise Afterburn', held in June 2018, tested and evaluated the recovery planning processes outlined in the Local Recovery Plan. Simplified disaster plans for each of the six bay islands were released and implemented as part of the continuous improvement process and annual review of the Redland City Disaster Management Plan.</p>
4. Number of bay access points for low impact recreation activities.	<p>Planning was completed for the canoe ramp at Raby Bay and beach access ramp at Masters Avenue, Victoria Point, with works scheduled for delivery in 2018-19.</p>
5. Implementation of Priority Development Areas (PDAs).	<p>Walker Group's proposed Toondah Harbour PDA development continued to progress, with an updated plan released and a new referral lodged with the Federal Government.</p> <p>Council announced in June 2018 it would be taking on the planning for the Weinam Creek PDA, releasing a draft master plan for the project. Redland Investment Corporation was engaged to manage the development of the PDA project and, in 2017-18, progressed to the advanced stages of planning for stage 1, comprising car parking and a residential component on the Moores Road site.</p>

2017–18 significant activities

Partner with Healthy Land and Water



Council continued its ongoing partnership with Healthy Land and Water in monitoring specific waterway sites within the city. The 2017 South East Queensland Healthy Land and Water Report Card

was released in November 2017. Other initiatives such as the Lower Brisbane and Redlands Catchment Action Plan 2018-2021 were completed in June 2018 in partnership with Brisbane City Council and the Resilient Rivers program.

Council continued to progress the Pest Fish Action Plan to enhance the ecological health of local waterways. Council also undertook an Embrace the Bay event in December 2017 to celebrate the recreational and environmental value of the bay to the city.

Monitoring of recreational and environmental water-quality continued during the year as part of its program to improve the health of local waterways and Moreton Bay.

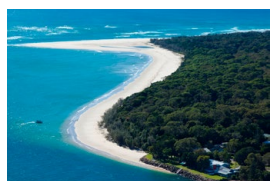
Partner with Education Queensland



Council officers, on behalf of sporting groups, continued to liaise and negotiate with local schools for the use of their facilities by local sporting clubs. Additionally, Tennis Queensland and Council officers

identified 56 tennis courts at Redlands Coast schools that would be suitable for community use.

Coastal hazard strategy



The Coastal Hazard Adaptation Strategy progressed in line with the QCoast 2100 Minimum Standards and Guidelines for Queensland Local Governments. The Communication and Engagement Plan (Phase 1),

Gap Analysis and Document Review (Phase 2) were completed.

Community resilience



A number of initiatives were undertaken to build resilience and improve community capacity to prepare for, respond to and recover from natural disaster events. These included:

- implementing recommendations from the 2017 Fire Review Report
- Exercise Afterburn, which brought together all levels of government, emergency services, humanitarian organisations and the community to develop recovery strategies following a devastating bushfire

- the continued growth of the Community Champions program, which was first piloted on the Southern Moreton Bay Islands, and has now gained momentum on North Stradbroke Island and Coochiemudlo Island
- the Street Speaks disaster education program, which delivered hundreds of hours of community contact time in the provision of disaster preparedness and resilience information.

Manage risk and hazards to the public



In line with the Coast Safe recommendations, final signage type and locations for North Stradbroke Island were confirmed in conjunction with Surf Life Saving Queensland to prepare for installation to start in the 2018-19 financial year.

Priority Development Area (PDA) activities



Redland Investment Corporation (RIC), in coordination with Economic Development Queensland (EDQ), worked closely with Walker Group as they liaised with the State and Federal governments to progress

the Toondah Harbour PDA project. In late June 2018, Walker Group lodged a third referral to the Federal Government under the *Environment Protection and Biodiversity Act 1999*, with an updated proposed master plan for the project. The updated plan incorporated a number of new initiatives and considered feedback from leading environmental and wetland experts, public submissions and the Federal Government.

In early 2018, RIC and EDQ examined a project proposal Walker Group had previously submitted for the Weinam Creek PDA and came to a decision, in conjunction with Walker Group, not to proceed with the proposal. In June 2018, Council announced it would take up the planning for the Weinam Creek PDA, releasing a draft master plan for the project. RIC was engaged to manage stage 1 of the PDA project and as at 30 June 2018 had progressed to the advanced stages of planning for stage 1.



VISION OUTCOME 4

QUANDAMOOKA COUNTRY



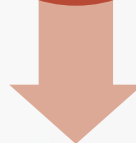
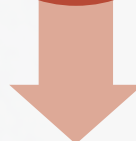
04

QUANDAMOOKA COUNTRY

The rich Aboriginal heritage of the Redlands (Quandamooka) and the Traditional Owners' ongoing custodianship of Quandamooka land and waters will be widely understood and respected, and we will work together for the future of Quandamooka Country.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18



2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Attendance at Council's cultural awareness and heritage training.	Cultural awareness information was included in all employee inductions (111 attendees in 2017-18), with 30 employees attending training at Quandamooka Cultural Days, which commenced in May 2018. Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC) offered Aboriginal cultural heritage training to Council employees during the year.
2. Community understanding of the Quandamooka Peoples' relationship with their traditional land and waters.	Council promoted Quandamooka culture to the public through inclusion of acknowledgement on all pages of Council's website, all Council events, and all weekly 'Snapshot' advertisements in the Redland City Bulletin. Quandamooka articles were included in all editions of Council's 'Our Redlands' magazine, and Council arranged promotion of the Quandamooka Festival, including television coverage. Council's Community Satisfaction Survey, which includes a measure of awareness of Quandamooka culture, is biennial and was not undertaken in 2017-18.
3. Council's progress with implementing the Indigenous Land Use Agreement (ILUA).	The Indigenous Land Use Agreement (ILUA) Capital Works Forum met in September 2017, while ILUA Consultative Committee met in June 2018. Council conducted two internal ILUA review meetings to consider progress. An internal sub-committee was developed to progress the ILUA commitments and other related Indigenous projects and activities. Council held three Business Day meetings with QYAC to progress commitments and projects.
4. Visitation numbers and quality of experiences on North Stradbroke Island (Minjerribah).	Total visitation to North Stradbroke Island for 2017 was conservatively estimated to be between 320,000 and 380,000 by the University of Queensland's North Stradbroke Island Visitor Research Program, undertaken as part of the North Stradbroke Island Economic Transition Strategy. Repeat visitation was high at 73.5%; day trippers made up 37.3% of visitors; and 93.2% of visitors were from Australia, with 66.2% of those from Queensland. Of Australian visitors, 76.9% were from within a 50km radius of Dunwich, with most from Brisbane or Redlands Coast. The research also found a high level of satisfaction with the destination from current visitors. Trip Advisor reviews of the island were largely positive. The average rating of 4.72 out of a possible 5 was higher than the benchmark for other island destinations.

2017-18 significant activities

Cultural heritage training



Opportunities for Aboriginal cultural heritage training were organised with QYAC. Employees involved with Aboriginal cultural heritage matters were encouraged and supported to attend the training.

Cultural heritage awareness



Cultural awareness training is included in Council's corporate induction for new employees. Development of further cultural awareness training was completed, with employees attending a

Quandamooka cultural day. All scheduled training days were fully booked with positive feedback received.

Policy and guidelines



The Aboriginal and Torres Strait Islanders Community Policy was reviewed and adopted by Council in April 2018. The Aboriginal and Torres Strait Islanders Community Guideline and Action Plan will be

completed in the next financial year. Council observed the cultural protocols of incorporating a Welcome to Country, smoking ceremony and an Acknowledgement of Country at significant events including Christmas by Starlight, Australia Day Awards and the Australia Day Citizenship event.

Council collaborated with the Department of Aboriginal and Torres Strait Islander Partnerships to present an information session on the *Aboriginal Cultural Heritage Act 2003* to Councillors and employees. Council engaged QYAC to manage and protect Aboriginal cultural heritage on Redlands Coast.

Cultural heritage events



Council engaged and collaborated with Aboriginal and Torres Strait Islander groups and individuals through events including Christmas by Starlight, two Queen's Baton Relay events for the Commonwealth Games

and the Australia Day Awards. A new category, Reconciliation, was introduced to Council's Australia Day Awards.

Council provided sponsorship and in-kind support to Quandamooka Festival and facilitated partnerships between two signature festivals that resulted in the Quandamooka Festival Kunjil (Corroboree) forming part of the RedFest program at Cleveland.

Council's National Reconciliation Week/National Aborigines and Islanders Day Observance Committee (NAIDOC) internal committee planned events to celebrate the national themes for the two weeks.

Council introduced a new reconciliation initiative to acknowledge and thank Aboriginal Elders for their ongoing partnership and collaboration with Council.

Program delivery



Redlands Libraries delivered six children's activities focusing on Aboriginal culture and history. This included pop-up libraries during NAIDOC Week, school visits and story time. Libraries hosted an author event during Reconciliation

Week, with Quandamooka author Sandra Close-Delaney reading from her latest children's book *'Whale Dreaming'*.

'Remembering them: Honouring the First World War serviceman and women of the Redlands' was published and launched in April 2018, highlighting the contributions of 12 local Indigenous servicemen. Local Aboriginal history, culture and artefacts were also highlighted at an event for seniors.

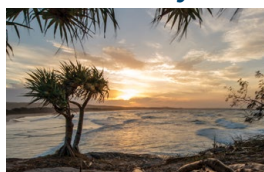
Quandamooka partnerships



Council and QYAC held a number of Indigenous Land Use Agreement (ILUA) Business Day meetings where ILUA commitments continued to be progressed. The ILUA Capital Works Forum held on North Stradbroke

Island, was facilitated by Council. The ILUA Joint Protecting Sea, Land and Environment Committee scheduled to meet in 2018 was postponed until next financial year. The Land Use Planning Committee reconvened in 2018. ILUA commitments continue to be progressed through these operational meetings. Council conducted two internal ILUA review meetings, in May and June, and endorsed an internal committee structure for coordinating the ILUA commitments and synergies with Council priorities and activities.

ILUA delivery



Council continued to support and resource the delivery of commitments under the ILUA with the Quandamooka People. During the year, meetings of the ILUA

Consultative Committee, the Capital Works Forum and the Land Use Planning Committee were held along with Business Day meetings.

Eco-cultural tourism development



Council delivered a Quandamooka-focused Gold Coast Commonwealth Games Queen's Baton Relay community event on North Stradbroke Island, resulting in national television coverage of the island as an eco-cultural tourism destination. Council also provided \$30,000 cash sponsorship to the Quandamooka Festival and promoted eco-cultural tourism on North Stradbroke Island through e-newsletters, 'Our Redlands' magazine, and digital media. In conjunction with Traditional Owners and Brisbane Marketing, Council coordinated visits by international sporting teams to the island, resulting in international exposure on Fox Sports, promoting the island as an eco-cultural tourism destination. Council sponsored the Intrust Super Cup Indigenous rugby league round at Dunwich, which included Channel 9 coverage of the island's eco-cultural tourism offerings.



VISION OUTCOME 5

WISE PLANNING AND DESIGN





05

WISE PLANNING AND DESIGN

We will carefully manage population pressures and use land sustainably while advocating and taking steps to determine the limits of growth and carrying capacity on a local and national basis, recognising environmental sensitivities and the distinctive character, heritage and atmosphere of local communities. A well-planned network of urban, rural and bushland areas and responsive infrastructure and transport systems will support strong, healthy communities.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





WISE PLANNING AND DESIGN

2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Implementation of the Redland City Plan and Local Government Infrastructure Plan (and subsequent twice-year reviews).	The Local Government Infrastructure Plan (LGIP) was approved by the Planning Minister and adopted by Council on 4 October 2017 to have effect with the new City Plan. On 23 May 2018, Council also adopted an interim LGIP amendment to the current Redlands Planning Scheme, to ensure it could continue to levy infrastructure charges beyond 1 July 2018 until such time as the City Plan commences.
2. Development is consistent with legislation, best practice and community expectations, guided by relevant plans and strategies.	Development planning throughout the city was undertaken in accordance with the <i>Planning Act 2016</i> , Redlands Planning Scheme and other relevant planning instruments.
3. Council meets or improves on Integrated Development Assessment System timeframes.	Council met its target of 90% compliance for determining applications within development assessment timeframes.
4. Levels of participation in regional collaboration and advisory groups.	<p>Council was represented on the following groups:</p> <ul style="list-style-type: none"> • South East Queensland Development Assessment Managers Group • Urban Development Institute of Australia Redlands Advisory Panel working group • Local Government Association of Queensland working groups (various) • Queensland Government steering committees and working groups (various) • SEQ CEO Forum.



2017-18 significant activities

Implement Local Government Infrastructure Plan



As an interim measure until the new City Plan commences, an amendment to the Redlands Planning Scheme came into effect on 1 July 2018 to allow Council to continue to levy infrastructure charges and condition development for compliance with the adopted Local Government Infrastructure Plan (LGIP).

Council officers liaised with responsible infrastructure network planners to ensure the inclusion of applicable LGIP projects, estimated costs and anticipated delivery timeframes into Council's capital works program.

Implement Netserv Plan



In parallel with the LGIP approval process, public consultation of the revised Netserv Plan Part A was undertaken. Changes were made following the consideration of submissions and the preceding (June 2017) endorsement from the Minister for State Development, Manufacturing, Infrastructure and Planning that the plan was consistent with the South East Queensland Regional Plan. The revised Netserv Plan Part A was adopted by Council, with its commencement linked to the commencement of the Local Government Infrastructure Plan.

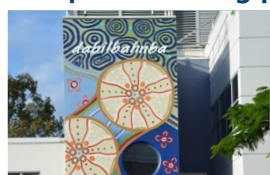
One of the major components required in the Netserv Plan Part A is the planning for trunk infrastructure. The plan also incorporates Redland Water's asset and service management plans, including the capital works program for Redland Water. Redland Water progressed the delivery of this aligned capital works program during 2017-18.

Commence Redland City Plan



The draft City Plan was submitted to the State Government in March 2017 seeking final approval. Council received formal advice in June 2018 that it may proceed to adopt the new City Plan, subject to a number of ministerial conditions.

Coordinate a centres' master planning and place-making program



Council continued stakeholder engagement with property owners in the CBD to help stimulate interest and action in place-making and revitalisation. A number of place-making activities were delivered throughout the year, including a

public art mural on the Cleveland library building, and approval for installation of public Wi-Fi at Raby Bay Harbour Park.

In partnership with Mater Health Services and Metro South Health, Council commenced a master planning study for the Redlands Health and Wellness Precinct. The three-stage study includes an economic impact assessment, land use and

planning study. The Stage 1 report (Demand Drivers Assessment) includes profiling of the drivers and key opportunities and challenges in the Redlands Coast economy and identifies key learnings and lessons from best practice health precincts elsewhere in Australia and internationally. It has since informed Stages 2 and 3, which are currently under way. The project will recommend a preferred structure plan for the precinct for consideration by Council and its project partners in 2018-19.

Redland Aquatic Centre masterplan



Preliminary options and planning investigations were completed to guide future master plan designs.

Surplus Commonwealth land at Birkdale planning



Discussions between Council and the Federal Government regarding the purchase of surplus Commonwealth land have continued. Once negotiations are finalised and Council has acquired the land,

planning to determine the appropriate future land use of the site will re-commence.

City building infrastructure



Council continued to advocate for key city building infrastructure and identify funding paths for delivery. Joint major events with the Redland City Chamber of Commerce promoted opportunities for business

investment in Redlands Coast and provided information on major new projects in south east Queensland (SEQ). As a member of the State Government's SEQ City Deal Economic Narrative Reference Group, Council was active in providing input and feedback to the City Deal Framework and the Brisbane's Future Tourism Infrastructure Needs Discussion Paper. Council continued to actively participate in the SEQ Food Trails User Group, to ensure the Redlands Coast is featured on the SEQ Food Trails website.

Cross-boundary transport and infrastructure priorities planning and development



Council officers continued to work with the Department of Transport and Main Roads to develop a business case that prioritises the planning and delivery of major infrastructure projects that will benefit the Redlands

Coast. Preparing clear evidence-based planning documents enables Council to advocate more effectively with Federal and State governments and neighbouring local governments.

Council worked with the Department of Transport and Main Roads to develop a project scope that focuses on upgrading the bus interchange in Capalaba. This complements a study completed on the Old Cleveland Road Corridor that identified actions to improve bus prioritisation.



VISION OUTCOME 6

SUPPORTIVE AND VIBRANT ECONOMY



06

SUPPORTIVE AND VIBRANT ECONOMY

Businesses will thrive and jobs will grow from opportunities generated by low impact industries, cultural and outdoor lifestyle activities, ecotourism and quality educational experiences. transport systems will support strong, healthy communities.

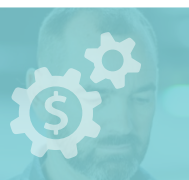
Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





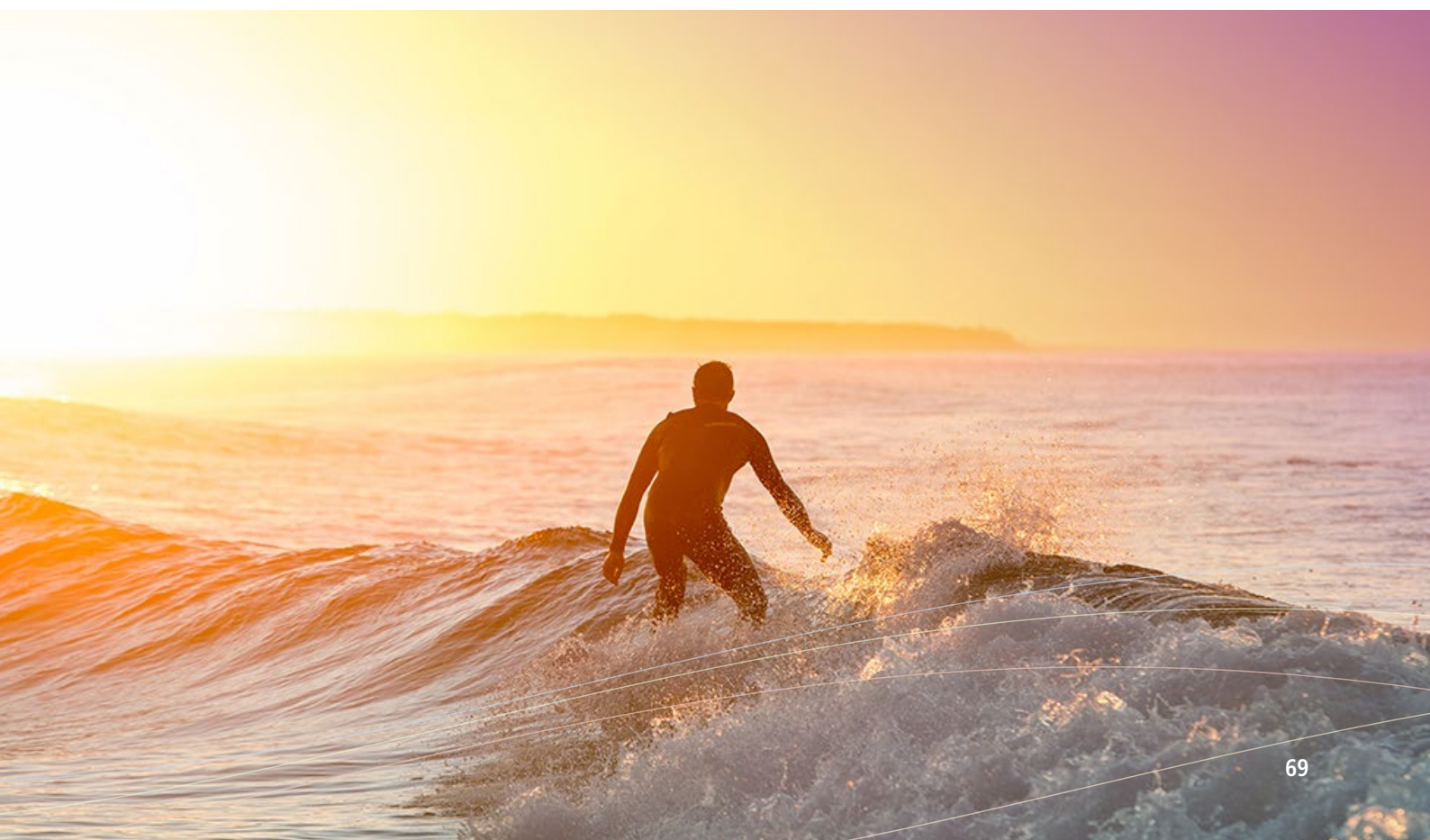
SUPPORTIVE AND VIBRANT ECONOMY

2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

<p>1. Employment growth and tourism numbers.</p>	<p>Redlands Coast's unemployment rate decreased from 6.8% (March quarter 2017) to 5.2% (March quarter 2018) (Source: Department of Jobs and Small Business).</p> <p>Total tourism employment in 2016-17 was 2,206 or 5.1% of the city's total employment.</p> <p>In 2016-17, tourism accounted for 3.3% of the city's total output, or \$382 million. In terms of value, tourism output increased compared to the previous year (from \$330 million to \$382 million). In terms of share with city total output, tourism's contribution declined (from 3.4% to 3.3%) (Source: REMPLAN Economy generated data sourced from ABS June 2017 GSP and ABS 2014/ 2015 National Input Output Tables).</p>
<p>2. Attendance numbers and economic return at events across the city.</p>	<p>In 2017-18, Council delivered 29 corporate events attended by 24,886 people and supported delivery of 86 community events, attended by more than 275,000 people. Redland Art Gallery delivered 23 exhibitions and 80 community workshops. Total attendance at the gallery was 45,829. Redland Performing Arts Centre delivered 329 events. A total of 29,423 tickets were sold and the centre had an overall attendance of 51,666 people.</p>
<p>3. Implementation of the early actions and future strategic directions from the North Stradbroke Island Economic Transition Strategy.</p>	<p>Council remained the lead for Project 13: Location and Interpretive Signage, and a project partner on a further 17 of the 23 projects of the State Government's North Stradbroke Island Economic Transition Strategy (NSI ETS). A revised scope for Project 13 was approved by the State Government, the funding agreement finalised and the project commenced. An internal working group established by Council, with representation from the Department of State Development, Manufacturing, Infrastructure and Planning, continued to meet regularly to coordinate Council participation in projects being funded under the NSI ETS. Council continued to attend NSI ETS Implementation Committee meetings.</p>
<p>4. Number of sites developed by Redland Investment Corporation (RIC) for commercial and community benefits.</p>	<p>In 2017-18, Redland Investment Corporation (RIC) completed a townhouse development, Ava Terraces, located at 9-11 Oaklands Street, Alexandra Hills. The architecturally designed development comprises 13 three and four-bedroom townhouses.</p> <p>Ownership of the car park at 110 Queen Street was transferred from Council to RIC in early 2017. RIC resolved existing easement issues and created a new access road for the Bloomfield Street shops and facilitated the sale of the car park to Stockland in late 2017.</p> <p>Other activities included:</p> <ul style="list-style-type: none"> • purchasing Cleveland Plaza at 48 Bloomfield Street, Cleveland in late 2017 • negotiating and execution of a contract to sell both 4-10 Doig Street, Cleveland with settlement scheduled for August 2019 and 18-22 Wynyard Street, Cleveland with settlement scheduled for January 2020 • facilitating the purchase of Moores Road land at Weinam Creek on behalf of Council for future development of car park and residential component • managing the development of the Priority Development Area (PDA) project • continuing to assess opportunities on various sites in Redlands Coast.
<p>5. Number of action plans developed by the Industry Economic Advisory Board.</p>	<p>Council received the Health Care and Social Assistance and Education and Training consultants' reports at its General Meeting in September 2017. Validation of the consultants' reports was undertaken through an extensive consultation process with industry stakeholders, with input from the Redlands Economic Development Advisory Board. Draft industry sector plans were then developed for both sectors.</p>

6. SUPPORTIVE AND VIBRANT ECONOMY

6. Finalise development management agreement for Toondah Harbour Priority Development Area (PDA).	In 2017-18, the development management agreement between Council, Walker Group and Economic Development Queensland for the Toondah Harbour PDA was amended to include a revised master plan. The original development agreement between Council, Walker Group and Economic Development Queensland was established in 2015-16.
7. Support negotiations with stakeholders on environmental and development approvals for Toondah Harbour PDA.	In 2017-18, Council supported Walker Group's proposed Toondah Harbour PDA development, with an updated plan released and a new referral lodged with the Australian Government for assessment under the <i>Environment Protection and Biodiversity Conservation Act 1999 (Cth)</i> .
8. Finalise report for proposals for Weinam Creek PDA.	In 2017-18, a joint decision was made not to proceed with the proposal for the Weinam Creek PDA submitted by Walker Group. In June 2018 Council announced it would be taking on planning for the project and released the draft master plan.
9. Finalise development management agreement for Weinam Creek PDA.	Following a joint decision not to proceed with Walker Group's project proposal for the Weinam Creek PDA, Council has taken on planning for the project.





SUPPORTIVE AND VIBRANT ECONOMY

2017-18 significant activities

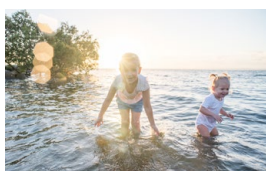
Partnerships to deliver city building infrastructure



Council secured funding through the Queensland Government Advancing Regional Innovation Program (\$500,000 over three years) to deliver a program of innovation and entrepreneurship activities in the Logan/Redlands region. Program outcomes included delivery of a workshop series with local schools and businesses to foster innovation, representation at the annual Myriad Festival in Brisbane by local robotics/entrepreneurial businesses and an aged care event.

Council secured funding for the preparation of an early stage assessment of a potential Cleveland Innovation Precinct through the Queensland Government's Maturing the Infrastructure Pipeline Program.

New destination website



Council's tourism subcommittee met seven times to provide advice on a broad range of tourism initiatives, including the new city destination brand, promotional opportunities and industry development programs that included digital capacity workshops, experience development programs, tourism and event forums and marketing initiatives.

Council completed procurement and design of a new mobile-accessible destination website for launch in August 2018.

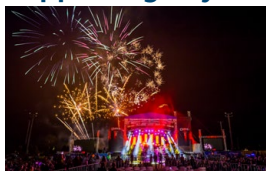
A new city brand delivered



A new city brand was completed and adopted by Council on 6 June 2018. The brand includes the name 'Redlands Coast' for marketing purposes and the tagline 'Naturally Wonderful'.

A visual identity, including a logo incorporating Quandamooka design elements, was also developed and launched. The brand was developed after extensive consultation with about 5,000 locals, businesses and visitors to the city.

Supporting key events



Council continued to progress the 19 actions in the Events Strategy and Action Plan 2017-2022, including delivering connectivity to events through Translink partnerships, operator networking opportunities,

two tourism and events forums, event bundling and packaging, a new online system for applying for in-kind sponsorship, signature event development, a venue familiarisation for event organisers, leveraging opportunities from the 2018 Commonwealth Games, event surveys and establishing a dedicated unit for community events.

Council commenced development of an online events permit form and coordinated 27 Red Team event meetings to ensure a streamlined event permit allocation for community events.

Commonwealth Games legacy events



Council gained funding through the Office of the Commonwealth Games to support delivery of two Queen's Baton Relay community celebrations held at North Stradbroke Island and Cleveland. Council was also

successful in its application for funding to extend our Redlands Coast Healthy and Active program. Council also delivered a Redlands Coast Games Carnivale at Raby Bay Harbour Park (4-15 April 2018).

Council organised a welcome to more than 60 Team England representatives who stayed in the city. Redland Art Gallery featured an art exhibition by Delvene Cockatoo-Collins, whose artwork *Migalu Yalingbilla – White Humpback* was featured at the GC2018 Commonwealth Games opening ceremony. Maryann Talia Pau of the One Million Stars to End Violence Project made Redland Art Gallery the 100th Star Weave Community.

During the Games, Council participated in Trade 2018 events including Queensland Opportunities in e-Health, Gold Coast Health and Knowledge Precinct Showcase, Canada Connect and an International Education and Training Agent Engagement Reception.

Supporting North Stradbroke Island's economic transition



Council continued to work with key stakeholders on the transition to a sustainable post-mining economy for North Stradbroke Island under the State Government's North Stradbroke Island Economic

Transition Strategy (NSI ETS). Council remained the lead for Project 13: Location and Interpretive Signage and a partner on a further 17 of 23 projects. A revised scope for Project 13 was approved by the State Government, the funding agreement was finalised and the project commenced. An internal working group established by Council, with representation from the Department of State Development, Manufacturing, Infrastructure and Planning, continued to meet regularly to coordinate Council communications and participation in projects being funded under the NSI ETS. Council continued to attend NSI ETS Implementation Committee meetings.

Strategic opportunities for Redland City Council land holdings



Redland Investment Corporation (RIC) commenced construction of its Ava Terraces townhouse development, located at 9-11 Oaklands Street, Alexandra Hills, in August 2017. The architecturally designed development

comprises 13 three and four-bedroom townhouses and adjoins a community garden. The development was completed in June 2018, having attracted strong interest, with the sale of eight residential townhouses at 9-11 Oaklands Street, Alexandra Hills in June 2018 (three of the sales had settled at 30 June 2018).

In late 2017, RIC purchased Cleveland Plaza in Bloomfield Street, Cleveland. RIC continued to assess opportunities on other various sites.

Develop action plans for key industry sectors



Following an extensive validation process with industry stakeholders and the Redlands Economic Development Advisory Board, draft industry sector plans were developed for both the Health Care

and Social Assistance and Education and Training sectors. The finalised Health Care and Social Assistance Plan 2018-2023 and Education and Training Plan 2018-2023 will support the objectives of the Redlands Economic Development Framework 2014-2041 and set out how Council will work with industry, businesses and governments to meet the challenges and capitalise on employment and economic opportunities in each sector. Both plans will be presented to Council for consideration in early 2018-19.

Facilitate process with Economic Development Queensland



Redland Investment Corporation (RIC), in coordination with Economic Development Queensland (EDQ), worked closely with Walker Group as it liaised with the State and

Federal Governments to progress the

Toondah Harbour Priority Development Area (PDA) project. In late June 2018, Walker Group lodged a third referral to the Federal Government under the *Environment Protection and Biodiversity Act 1999*, with an updated proposed master plan for the project. The updated plan incorporated a number of new initiatives and considered feedback from leading environmental and wetland experts, public submissions and the Federal Government.

In early 2018, RIC and EDQ examined a project proposal Walker Group had previously submitted for the Weinam Creek PDA and came to a decision, in conjunction with Walker Group, not to proceed with the proposal. In June 2018, Council announced it would take on planning for the Weinam Creek PDA, releasing a draft master plan for the project. RIC was engaged to manage stage 1 of the PDA project and, as at 30 June 2018, had progressed to the advanced stages of planning for stage 1.





VISION OUTCOME 7

STRONG AND CONNECTED COMMUNITIES





07

STRONG AND CONNECTED COMMUNITIES

Our health, wellbeing and strong community spirit will be supported by a full range of services, programs, organisations and facilities, and our values of caring and respect will extend to people of all ages, cultures, abilities and needs.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





STRONG AND CONNECTED COMMUNITIES

2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Number of community activities delivered.	Redlands Coast Libraries delivered 684 activities and events, with 50,934 attendees. These figures included First 5 Forever, young people's and adult programs. Redland Art Gallery delivered 23 exhibitions and 80 community workshops, with total gallery attendance 45,829. Redland Performing Arts Centre delivered 329 events with an overall attendance of 51,666 people.
2. Number of community groups with leases/permits for Council facilities.	In 2017-18, there were 83 community groups with leases (1 new and 5 renewals) and 88 licences to occupy.
3. Number of strategic partnerships formed and number of successful grant applications.	<p>In 2017-18, Council partnered with the following organisations:</p> <ul style="list-style-type: none"> • STAR Community services, for the delivery of Redlands Home Assist Secure program • Griffith University, Logan City Council, Community Resourcing Worldwide, TAFE Queensland and Redland Chamber of Commerce including the Open Data Institute, Substation 33, Independent Social Enterprise Network, Little Tokyo, Community Information Support Services, through the Advancing Regional Innovation Program • Queensland Police (projects including Amazing Race and youth safety projects) • Volunteer in Policing (projects including car park audits and Capalaba youth activation) • Redlands Dementia Alliance, formed in partnership with Dementia Australia • Queensland Health, Redland Bay, Alexandra Hills and Coochiemudlo Men's Sheds, Australian Industry Trade College, Relationships Australia, Resilience Sailing for the Men's Shed Forum • U3A, to develop an age-friendly community grants program funding application • RDCOTA, to deliver the Age Friendly Cities survey. <p>In 2017-18, Council's Community Grants program supported 34 applications totalling \$284,822.38.</p> <p>The Community Grants program consists of four categories:</p> <ul style="list-style-type: none"> • Organisational Support Grant – 13 applications supported, totalling \$39,000 • Project Support Grant – 10 applications supported, totalling \$63,516.37 • Conservation Grant – five applications supported, totalling \$29,834.50 • Capital Infrastructure Grant – six applications supported, totalling \$152,471.51. <p>Council's Sponsorship program supported 32 applications totalling \$258,400.</p> <p>Regional Arts Development Fund (RADF) is a partnership between Queensland Government (through Arts Queensland) and Council to support local arts and culture. In 2017-18, 11 applications were supported, totalling \$85,525.</p>
4. Number of volunteers and hours donated towards Council projects.	In 2017-18, a total of 427 volunteers spent 6,068 hours volunteering at IndigiScapes and in Bushcare groups; 116 volunteers spent 8,820 hours volunteering for wildlife monitoring and delivering Redlands Wildlife Rescue Service; and six volunteers spent 1,479 hours volunteering for environmental planning research.
5. Implementation of the Redland City Disaster Management Plan.	The focus in 2017-18 was to review the Disaster Management Plan and evaluate the recovery planning component. The plan was assessed against the Emergency Management Assurance Framework standards as outlined by the Office of the Inspector General Emergency Management, and was found to perform to a strong level. Exercise Afterburn was held in June 2018, which tested and evaluated the recovery planning processes in the Local Recovery Plan.

2017-18 significant activities

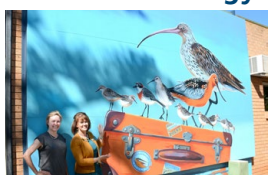
Festival and events



Council supported delivery of 86 community events including Quandamooka Festival, RedFest, Island Vibe, Straddie Salute and Greazefest. Council also delivered 29 events including Christmas

by Starlight, Lighting of the Christmas Tree, two Gold Coast Commonwealth Games Queen's Baton Relays, Diner en Rouge, Australia Day Awards and Citizenship Ceremonies.

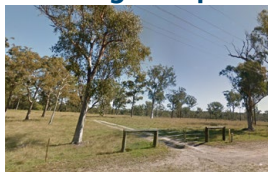
Public art strategy framework developed



The Public Art Framework was developed and adopted by Council at the General Meeting on 20 June 2018. This document will be used by Council and its various collaborators to grow the city's public art

collection with high quality public art. The framework recognises the Redlands Coast place branding, honours Quandamooka Country and acknowledges the overlay of agrarian, industrial, colonial and settler heritage that has imprinted the Redlands.

Planning for sport and recreation areas



Council acquired the additional sporting land at Heinemann Road Mount Cotton and funding was approved for the next phases of planning. A funding application to help with planning studies was

lodged with the State Government. The 2016 Sports Demand Study was reviewed.

Library services meeting customer needs



In 2017-18, Council progressed with implementation of the Library Services Strategy 2017-2022. The strategy was adopted by Council in October 2017. Redlands Coast Libraries reviewed library spaces

and made improvements to layout and furniture. Opening hours for Russell Island were extended in August 2017. Council also launched a new Customer Service Centre at Victoria Point Library in July to provide improved access to Council services for our community.

Council's innovative and accessible services were improved through a new online booking system for events, upgraded public computers in all our mainland libraries and installation of Wi-Fi at Dunwich, Point Lookout, and Russell Island libraries.

The First 5 Forever program was delivered across the city, with programs and activities designed to support early literacy.

Words for Wellbeing was launched, which promotes free access to books and online resources recommended by medical professionals.

In April 2018, Redlands Coast Libraries launched 'Remembering them', a book honouring the First World War servicemen and women of the Redlands Coast.

Awareness of Quandamooka culture continued to be incorporated into library programming.



VISION OUTCOME 8

INCLUSIVE AND ETHICAL GOVERNANCE



08

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.

Overview

Corporate Plan 2015-2020



DELIVERED VIA
Operational Plan 2017-18





INCLUSIVE AND ETHICAL GOVERNANCE

2015–2020 Corporate Plan performance indicators and 2017–18 performance against them

1. Customer satisfaction with Council's e-services/online services through Council's Satisfaction Survey.	Of the 8,206 users who completed the useful/not useful survey on Council's corporate website pages, 83% recorded the pages as useful. Council's corporate website averages 60,000 page views a month. Council's community satisfaction survey, which includes a measure of satisfaction with online services, is biennial and was not undertaken in 2017-18.
2. Financial Strategy key performance indicators including measures of sustainability.	Performance on these indicators can be found in the Community Financial Report on pages 88-95.
3. Tracking the improvement of asset management maturity and capacity.	<p>In 2017-18 Council:</p> <ul style="list-style-type: none"> • conducted an annual asset management maturity assessment, providing a basis to track improvements • improved the asset management maturity moving towards ISO 55001 standard compliance, as evidenced by the 2017-18 maturity assessment • formally adopted the Asset Management Framework and Governance Model under Phase 1 of the Asset Management Project • conducted intensive Asset and Service Management Plan training to all Asset Managers and Asset Custodians • instructed the Asset Management Project to move to the second phase, where Council assets are assigned a nominated custodian for management under the new governance model. <p>Council also began preparing for Phase 2 by procuring an asset management software solution.</p>
4. Corporate Plan implementation is effectively tracked and performance reported	<p>The Portfolio Management Office implementation team delivered project/program system improvements to enable tracking and monitoring of projects. These included:</p> <ul style="list-style-type: none"> • a variety of portfolio dashboards to enable performance reporting • a quarterly Executive Leadership Team portfolio report with supporting performance dashboards and status reports • an online project glossary and data dictionary to improve project and program information and data quality.
5. All Council employees have clear, achievable goals aligned to corporate objectives and managed via the MyGoals Performance framework.	Overall, 74% of employees completed their 2017-18 MyGoals. In 2017, a MyGoals Performance Framework review was undertaken, with a focus on managing performance objectives and creating an opportunity for employees to benefit from a quality conversation focused on achievements and their future development and career paths. 'Anywhere, anytime' conversations were encouraged. A survey undertaken post-MyGoals indicated that employees said their MyGoals helped them set meaningful goals, enabled constructive feedback in a friendly and positive manner, helped align performance with organisational goals and helped increase motivation, engagement and job satisfaction.

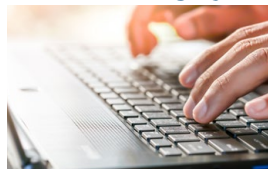
<p>6. Community satisfaction with engagement activities</p>	<p>Growth of the yoursay digital community engagement panel exceeded its target (target 10%, actual 28%).</p> <p>Community consultation on canal and lake waterway and revetment wall maintenance was conducted through a Citizens' Advisory Panel process, a first for Council.</p> <p>The Citizens' Advisory Panel comprised 40 randomly selected residents representative of the four distinct Redlands Coast communities: canal and lake, coastal, inland and island. These residents met three times from December 2017 to February 2018 and heard from a range of independent experts, residents and Council officers. They then deliberated on how Council should fund and manage repairs of our canals, lakes and revetment walls.</p> <p>Citizens' Advisory Panels have been found to provide fair and well considered advice to governments and organisations across the world. They show what everyday citizens would support or advise if they had access to valid information, a variety of perspectives and time to consider and discuss the issues with other citizens.</p> <p>The panel was a key part of citywide engagement on the issue. Representatives of the Redlands Coast community were also polled through a telephone survey undertaken by an independent market research firm. Engagement with those most affected by the community consultation outcomes included separate meetings with ratepayer associations, or estate ratepayers if no association exists. The panel was managed by Articulous Communications and Max Hardy Consulting.</p> <p>Following consultation, Council introduced new ways of managing and funding the canals and lake maintenance activities.</p> <p>Council's community satisfaction survey, which includes a measure of satisfaction with the opportunity to have their say, is biennial and was not undertaken in 2017-18.</p>
<p>7. Portfolio of projects is tracked and managed to align with Council's strategic objectives.</p>	<p>The Portfolio Management Office implementation team delivered project/program system improvements to enable tracking and monitoring of projects. These included:</p> <ul style="list-style-type: none"> • a variety of portfolio dashboards to enable performance reporting • a quarterly Executive Leadership Team portfolio report with supporting performance dashboards and status reports • an online project glossary and data dictionary to improve project and program information and data quality.



INCLUSIVE AND ETHICAL GOVERNANCE

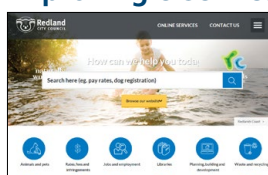
2017-18 significant activities

Transforming systems and processes



The Information Management Group continued to help deliver a new asset management system and human resource information system, as part of the core application refresh. Business intelligence dash boarding continued to be deployed throughout the organisation. Cloud Strategy, including mobility and integration and road map was delivered, which includes a framework for normalising core systems and data sets as part of the transition to digital.

Improving e-services



Of the 8,206 users who completed the useful/not useful survey on Council's corporate website pages, 83% recorded the pages as useful. Council's website averages 60,000 page views a month.

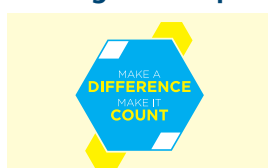
Optimising asset management



Phase 1 of the Asset Management Project successfully delivered asset management governance, asset management planning training, and led to the establishment of a strategic asset management

function to lead Council's ongoing asset management improvements and increase asset management maturity. The procurement of an asset management system was completed and contract negotiations commenced with a preferred supplier. It is anticipated that the final contract will be awarded by August 2018.

Strategic and operational planning



Line of sight and accountability was improved through the updated Corporate Plan 2018-2023, which included Council's strategic priorities. A Strategic Planning Policy and Guideline were also developed and

implemented. Changes were made to Council's annual planning cycle to improve integrated planning. Corporate performance measures were reviewed to ensure alignment with organisational objectives, and reporting on Council's strategic priorities was included in the quarterly Operational Plan performance report as well as the Annual Report.

The Portfolio Management Office coordinated information and decision-making processes to enable a more informed planning approach.

Staff capability programs



Leadership and corporate development programs were redesigned. The programs included a career pathway aligned to Council's Core Capability Framework at three levels: foundational, practice and mastery.

Continual improvement culture



Council's annual planning process was updated with a stronger focus on service planning, delivery and improvements. Service design workshops helped improve customer centricity and the delivery of value.

Technology and process improvements finetuned that quality and timeliness of Council's recruitment practices. Training sessions built continuous improvement and a customer centric culture and capability. A discovery project began to review current processes and where possible savings can be made.

Change management capability



There was a focus on building change management capability through training for the Human Resource team, supporting the asset management project through a dedicated change management

specialist, aligning processes with the Portfolio Management Office and improving the change management toolkit.

Meeting changing operational requirements



To enable greater strategic impact, workforce planning activities included the creation of a new process using a toolkit provided by the Local Government Association of Queensland.

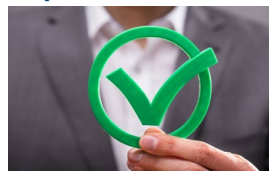
Developing capable leaders



The Mate to Manager Program targeting 'leading self' and 'managing teams' was completed. An innovation/change management culture workshop for the Executive Leadership and Senior Management

Teams was developed. The Leadership and Corporate development programs were redesigned to complement the Lead, Engage, Adapt, Perform (LEAP) development programs.

Improvements through employee feedback



The MySay survey was conducted in May 2018, with an employee completion rate of almost 90%. Analysis of the results was completed by ORIMA Research and presented to the Executive

Leadership Team and the Operational Leadership Group. Development of action plans has commenced and will be completed by December 2018.

Healthy and safe environment



The wellbeing of workers has been the primary focus of Council in delivering the Safety Management Plan. Actions were taken to address reported hazards and incidents to improve and protect the health and safety of our employees.

STRATEGIC PRIORITIES

STRATEGIC PRIORITY ANNUAL SUMMARY 2017-18

In 2016, Council identified a number of strategic priorities to help shape its vision for its current term alongside our Corporate Plan and other responsibilities and commitments to the community. Council has undertaken various activities that contribute towards delivering these priorities over the 2017-18 financial year.

**ECONOMIC
DEVELOPMENT**



**SPORT, EDUCATION
AND THE ARTS**

**TRANSPORT AND
CONNECTIVITY**



PLANNING

**BRANDING
IDENTITY**



**SMART CITIES
AND DIGITAL
CONNECTIVITY**



ECONOMIC DEVELOPMENT

Economic development continued to be a key focus in 2017-18 with Council's ongoing commitment to implement the Redland City Economic Development Framework 2014-2041. This commitment saw Council draft industry sector plans for health care and social assistance, and education and training.

Redlands Economic Development Advisory Board maintained its strong support of the Framework with the preparation of the first Annual Report 2016-17, which was noted by Council in November 2017. New Board member, John Aitken, was appointed in December 2017 following the resignation of Terry Morris.

Council validated that the eight key industry sectors identified in the Economic Development Framework were still relevant.

Council strengthened its international partnerships during a visit from a delegation from Qinhuangdao, China, in June 2018, to sign a Sister City Agreement. In April 2018, a delegation of Japanese Gifu Medical Science academics was hosted by Council following the Mayor's Business Mission to Asia in 2017.

Council undertook several projects to enable local businesses to increase their capability and capacity. A joint Council/Redland City Chamber of Commerce breakfast event provided an opportunity for local businesses to be briefed on the \$3 billion Queen's Wharf Brisbane integrated resort development led by consortium partner The Star Entertainment Group; the Brisbane Airport Corporation's \$1.3 billion new runway; and local economic development initiatives.

Council continued to partner with the State Government in the implementation of the North Stradbroke Island Economic Transition Strategy (NSI ETS), as lead for Project 13: Location and Interpretive Signage.

Council established a working group to coordinate Council participation in projects being funded under the NSI ETS, and continued to attend NSI ETS Implementation Committee meetings.

Following negotiations by Redland Investment Corporation, it was announced that Cleveland's Doig Street car park will become a new mixed-use development including aged care accommodation.

Walker Corporation released an updated master plan for the Toondah Harbour Priority Development Area in response to feedback from environmental and wetland experts, public submissions and the Australian Government. The project remains dependent on further approvals including an environmental impact statement.

Council commenced planning for development of the Weinam Creek Priority Development Area. The master plan, being developed by Redland Investment Corporation for Council, includes significant public infrastructure and will transform the waterfront of Redland Bay, and enhance the amenity and functionality of the busy local community hub.

Council and Surf Life Saving Queensland (SLSQ) signed a Memorandum of Understanding on 11 October 2017 for SLSQ to relocate its headquarters to Redlands Coast and be co-located with a new Cleveland Aquatic Centre and Lifesaving Centre of Excellence. There is potential for the project to also include emergency services organisations as part of a vision for a \$71m Surf Lifesaving Centre of Excellence and Emergency Services Precinct at Redlands Coast.



SPORT, EDUCATION AND THE ARTS

Council finalised the purchase of 159 hectares of land at Heinemann Road, Redland Bay, to be used for sports land and nature-based sporting activities. Council also began a detailed survey and hydrology study of the site to enable the area to be designed for sports that are best fit to the land.

Council provided and managed the bookings of 220 sporting facilities across the city. Council officers fostered effective partnerships with local sporting clubs, and engaged with around 110 clubs, to support them in building their resilience.

In addition to the regular weekly sports played by local clubs, the city hosted major events in softball, baseball, golf, triathlon, board riding, junior ironman challenge, mountain biking, trail running, road and criterion cycling. Council also continued to provide lifeguard services on North Stradbroke Island and at Wellington Point Reserve.

In an effort to maximise school sporting facilities, Council continued to liaise with schools, State Government bodies and local clubs to foster partnerships that meet community needs for overflow training areas.

Council received funding from the State and Federal governments for the delivery of a Healthy and Active Program in support of the Gold Coast Commonwealth Games. Across Redlands Coast, 2,200 people participated in the program, which was designed to encourage people to become healthy and physically active.

Drafting of Council's Education and Training Plan started after detailed research was undertaken and validated by key industry stakeholders and the Redlands Economic Development Advisory Board. The Education and Training Plan 2018-2023 supports the objectives of the Redland City Economic Development Framework 2014-2041 and sets out how Council will work with industry, businesses and governments to meet the challenges and capitalise on employment and economic opportunities in the sector.

In June 2018, Council commissioned an environmental scan of international education providers and related stakeholders to identify potential partnerships, relationships and opportunities. Council also started planning for an Education Roundtable, to be held on 14 September 2018, for Redlands Coast educators and associated parties.



TRANSPORT AND CONNECTIVITY

Council started drafting the new Redlands Coast Transport Strategy, which will guide the direction for future transport planning in the city. Strategic transport planning was also the focus in Cleveland, with work starting on the Cleveland Centre Traffic and Transport Strategy, which will outline recommended actions to create a more connected and accessible centre while accommodating new development.

Council collaborated through strategic transport partnerships, including as a representative on the steering committee and working group for the North Stradbroke Island Public Transport Strategy. Council also joined the recently re-established South East Queensland Travel Behaviour Working Group with Brisbane City Council, City of Gold Coast, Ipswich City Council and Noosa Shire Council.

Council also investigated innovative transport solutions, including a demonstration of an autonomous bus in Cleveland in March 2018.

Council officers continued working with the Council of Mayors South East Queensland (COMSEQ) to negotiate an extended trial of an autonomous vehicle in Redlands Coast, with likely locations being the city's islands.

Council delivered several internal initiatives to embrace transport opportunities, including the

integration of electric bikes into Council's fleet system and the development of a Workplace Travel Plan aimed at creating a travel-resilient organisation.

Advocacy also continued to State Government agencies to develop evidence-based planning documents that will inform the need and benefits of infrastructure project business cases. Three major infrastructure projects were identified for investigation as part of the Cross Boundary Connectivity Project, which have the potential to create greater connectivity between Redlands Coast and surrounding local government areas.

A trial was completed of the Active School Travel Program. The results of the trial have been reviewed and potential improvements identified.

Council completed geotechnical and environment investigations, and progressed to final stages of design for the Moreton Bay Cycleway at Victoria Point (Cameron Court to Point O'Halloran Road). Work was also undertaken on the active transport network in the city, with 805m of new pathway and 334m of new cycleway installed. Council also upgraded 653m of footpath at Raby Bay and Capalaba.

Council successfully advocated for the Weinam Creek bus station upgrade, which was completed by the State Government in 2017-18.



PLANNING

Council officers continued to work with the State Government on outstanding matters from the State interest review following submission of the draft Redland City Plan to the Planning Minister for approval to adopt.

Following approval of the City Plan by the Minister for State Development, Manufacturing, Infrastructure and Planning on 9 June 2018, preparations began for the Redland City Plan to go live in October 2018.

A Special Meeting of Council to consider adoption of the Redland City Plan was adjourned on 25 June 2018, to be reconvened on 6 July 2018.



BRANDING IDENTITY



Council undertook extensive research and consultation to support our commitment to developing a new city brand. This included engaging approximately 5,000 community members, businesses, industries and visitors, with contributions from the Redlands Economic Development Advisory Board and stakeholder groups including Quandamooka Elders, Tourism Sub-committee, and tourism industry bodies.

Delivery of the new city brand included brand architecture, place name 'Redlands Coast', positioning statement 'Naturally Wonderful' and a visual identity including a logo. These branding products were adopted by Council on 6 June 2018. Local artists were engaged to deliver pieces of work to support the new city brand, including a new logo with contributions designed by Quandamooka artist, Delvene Cockatoo-Collins, and a Redlands Coast soundtrack delivered by local musician Kuya Howler.

The brand launch included internal and external campaigns, industry and business launch events, a tourism video and destination website. The project was launched through public relations and media announcements, a brand hype reel video for promotional purposes, and a local talent attraction campaign that included local people and businesses in all photography and videography work. The brand was also presented to tourism operators and event organisers across the city at Council's Tourism and Events forum in June 2018.

Council established partnerships with Straddie Chamber of Commerce, the State Government and Brisbane Marketing, with the intention to develop co-operative marketing campaigns.



SMART CITIES AND DIGITAL CONNECTIVITY

Council secured \$500,000 funding over three years through the Queensland Government Advancing Regional Innovation Program. Council partnered with Griffith University, Logan City Council and a local advisory group and worked to deliver a program of innovation and entrepreneurship activities in the Logan/Redlands Coast region. Program outcomes included appointment of a regional program coordinator; delivery of a program of workshops with local schools and businesses to grow and foster local innovation; representation at the annual Myriad Festival in Brisbane by local robotics/entrepreneurial businesses; and delivery of a Redlands Focus on Aged Care event in June 2018.

Council collaborated with a group of local entrepreneurs who shared a vision for developing the local innovation and entrepreneurial business community, and establishing an Angel Investors Network. Council supported the inaugural Redlands Angel Investors Dinner in April 2018, attended by 36 local investors.

Funding was secured to prepare an early stage assessment of a potential Cleveland Innovation Precinct through the Queensland Government's Maturing the Infrastructure Pipeline Program (MIPP).

Public Wi-Fi has been trialled in the Cleveland precinct, with the trial commencing at the

autonomous vehicle road show event. The trial contributed to a proof of concept to support consideration of further public Wi-Fi availability within the city.

During the year, a number of vendors were canvassed seeking a wireless and fixed-line fibre solution to internet connectivity for industrial estates in Redlands Coast. No viable solutions have yet been identified. Further investigations with alternative vendors are under way for infrastructure builds within the city.

Council has been advised that the southern end of North Stradbroke Island and Russell Island have been included in round three of the Australian Government Department of Infrastructure, Regional Development and Cities Mobile Black Spot Program. Optus is currently planning to build a shared communications tower on the southern end of Russell Island, with the site design brief completed and execution of the current government agreement under way.

Work continued to develop a digital signage plinth for installation at key transport nodes within the city. Contractors engaged by Council created a live working demonstration of the software integration with Translink that provides real-time feeds of bus arrivals and departures.

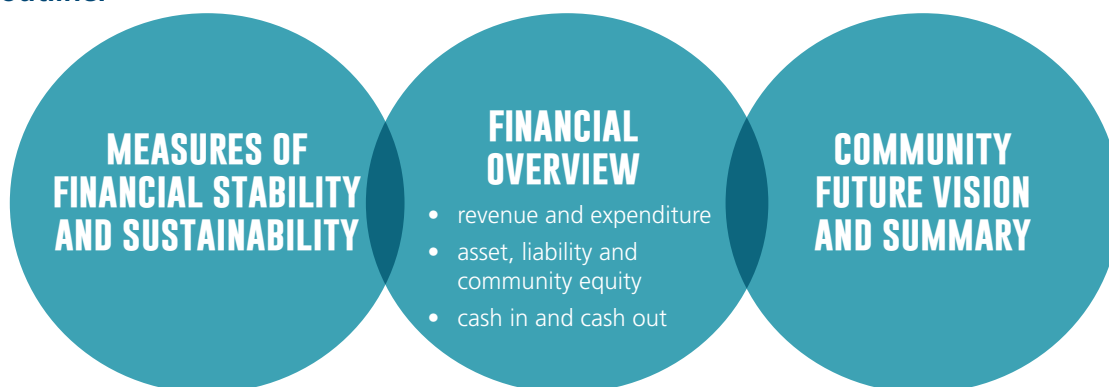


COMMUNITY FINANCIAL REPORT

Community Financial Report

This report aims to simplify the consolidated financial statements of Redland City Council (Council) and its controlled entities. Council and its controlled entities form the economic entity referred to in this report as the Group. The report provides graphical representations of the financial position, financial performance and cash flows, as well as changes in community equity, to provide a simple, comprehensive view of the Group's financial results for the period 1 July 2017 to 30 June 2018.

Report outline:



Summary of key financial stability measures (Council)

Ratio	Description	Target	2017-18 Actual	
Level of dependence on general rate revenue	This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues).	Less than 37.5%	33.91%	✓
Ability to pay our bills – current ratio	This measures the extent to which Council has liquid assets available to meet short term financial obligations.	Between 1.1 and 4.1	3.44	✓
Ability to repay our debt – debt servicing ratio	This indicates Council's ability to meet current debt instalments with recurrent revenue.	Less than or equal to 10%	2.97%	✓
Cash balances	Cash balance includes cash on hand, cash at bank and other short term investments.	Greater than or equal to \$50m	\$138.562m	✓
Cash balances – cash capacity in months	This provides an indication of the number of months of cash held at period end able to cover operating cash outflows.	Greater than 3 months	7.43	✓
Longer term financial stability – debt to asset ratio	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.	Less than or equal to 10%	1.46%	✓
Operating performance	This ratio provides an indication of Council's cash flow capabilities.	Greater than or equal to 15%	15.76%	✓
Interest coverage ratio*	This ratio demonstrates the extent to which operating revenues are being used to meet the financing charges.	Less than 5%	-0.63%	✓

* This is calculated using net interest expense, i.e. interest expense minus interest revenue. The negative number indicates Council has earned more interest than it has spent on borrowings. Therefore, Council has exceeded this target.

✓ Target achieved

✗ Target not achieved

Council includes the above elective key performance indicators in the budget and reports on these on a monthly basis, as they do not feature in the Annual Report.

Measures of sustainability

Ratio	Description	Target	Group 2017-18 Actual	Council 2017-18 Actual	
Operating surplus ratio	This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.	Between 0% and 10%	-6.06%	-5.67%	✗
Net financial liabilities ratio*	This is an indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues.	Below 60%	-34.62%	-34.74%	✓
Asset sustainability ratio	This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.	Greater than 90%	53.84%	53.84%	✗

* This is calculated using net financial liabilities, i.e. total liabilities minus current assets. The negative number indicates that Council's current assets exceed the total liabilities. Therefore, Council has exceeded this target.

✓ Target achieved

✗ Target not achieved

The operating surplus ratio, net financial liabilities ratio and asset sustainability ratios have targets to be achieved on average over the long-term (a period of at least 10 years), and are not necessarily expected to be met on a monthly or annual basis.

The decrease in operating surplus ratio was mainly driven by the decline in operating grants received by Council in 2017-18, together with the increase in depreciation expense and provision for landfill remediation, which are both non-cash operating expenditures.

Achieving the target for the asset sustainability ratio continues to be a focus area. Council also approved a comprehensive asset management project, which will consider the broader principles of asset management and the renewal program and support the capital works prioritisation policy.

Overview of consolidated financial results

Below are the Group's key financial performance highlights:

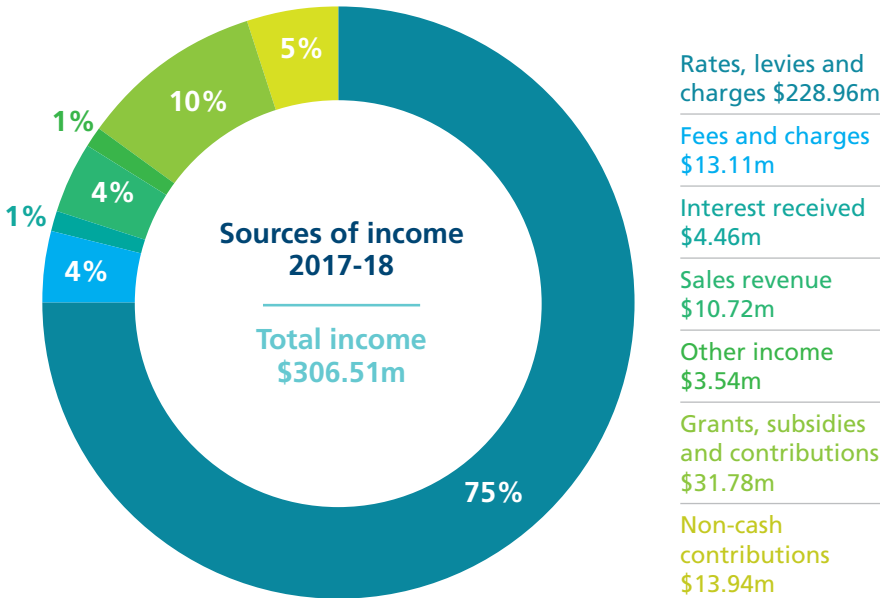
Information at a glance	2017-18 Actual \$millions	2016-17 Actual \$millions	Change %
Operating income	\$271.63m	\$259.88m	4.52%
Operating expenditure	\$(288.10)m	\$(270.91)m	6.34%
Net operating surplus/(deficit)	\$(16.47)m	\$(11.04)m	49.24%
Capital grants, subsidies and contributions	\$34.88m	\$58.51m	40.39%
Other capital income/(expenditure)	\$(2.20)m	\$(7.94)m	72.32%
Net result	\$16.21m	\$39.53m	(58.99%)

See Consolidated Statement of Comprehensive Income for more information

Financial performance summary

Revenue – What were our major sources of income?

(Consolidated Statement of Comprehensive Income)



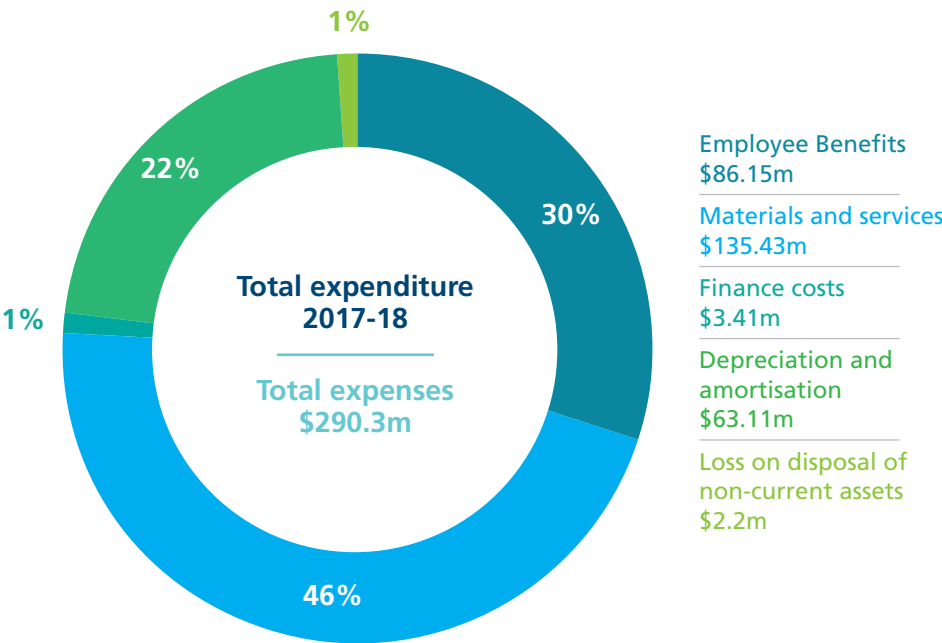
This year, the Group generated revenue of \$306.51m, which was a \$11.88m decrease, or 3.73% lower compared to the previous financial year.

Movements in income were driven by:

- growth in rates, levies and charges due to an increase in the number of rated properties and bulk water charges increase
- decrease in both operating and capital grant income
- property developments moderating resulting to a reduction in developers' non-cash contributions.

Expenditure – Where was the money spent?

(Consolidated Statement of Comprehensive Income)



The Group incurred \$290.30m in expenses during the financial year, which is an increase of \$11.44m or 4.10% higher than in 2016-17.

This increase was driven by:

- increase in materials and services expenditure due to an increase in land remediation provision, bulk water charges and transfer station costs, as well as an increase in Redland Investment Corporation's cost of goods sold for land inventory
- depreciation increase of \$6.60m, mainly due to the 2016-17 revaluation increment for water and wastewater assets
- loss on disposal of fleet assets and infrastructure and parks asset replacement.

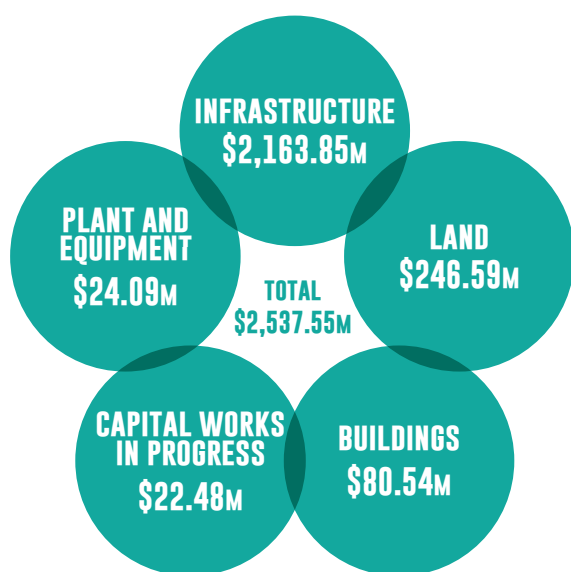
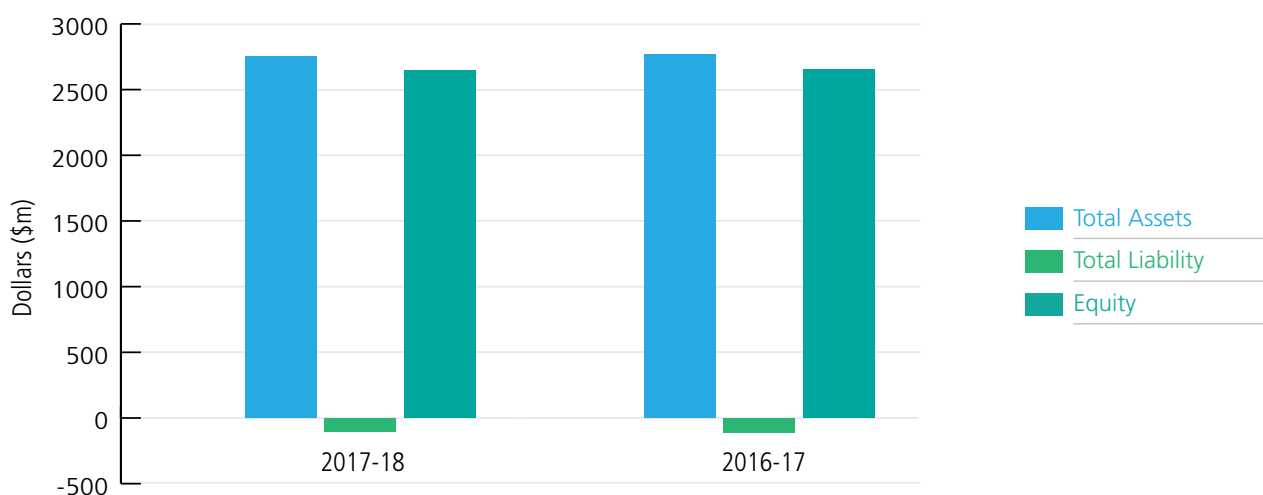
What is the value of the net community assets in our care?

(Consolidated Statement of Financial Position)

Information at a glance	2017-18 Actual \$millions	2016-17 Actual \$millions	Change %
Total assets	\$2,750.11m	\$2,766.04m	(0.58%)
Total liability	\$(103.06)m	\$(110.47)m	(6.71%)
Total community equity	\$2,647.05m	\$2,655.57m	(0.32%)

See Consolidated Statement of Financial Position for more information

Community equity (\$m)



Property, plant and equipment 2017-18

The total value of all assets at 30 June 2018 was \$2,750.11m, of which \$2,537.55m (92.27%) relates to property, plant and equipment.

During 2017-18, a comprehensive roads and stormwater asset valuation was conducted by an independent valuer.

Desktop valuations applied to land and buildings, water, wastewater and other infrastructure assets.

The overall impact of the revaluation was a decrease of \$23.33m in net asset value.

Total QTC Loan \$40.18m

Council borrows from the Queensland Treasury Corporation (QTC), which is the State Government-owned lending agency.

Those funds are used to provide new community facilities and long-term renewal of infrastructure such as buildings, paths and trails, road infrastructure and marine assets. In 2017-18, Council maintained the existing loans from QTC and did not draw any additional borrowing.

Payable within
12 months
\$7.73m

Payable in
later years
\$32.45m

Liabilities – Why did we borrow when we have cash in the bank?

The annual investment of Council in infrastructure is substantial and a major component of capital expenditure.

The concept of intergenerational equity guides Council in infrastructure planning for sustainable development. This concept flows through to Council's long-term financing strategy, where borrowed funds are used to partially finance infrastructure renewals that will benefit present and future communities.

What were the major sources of cash in and cash out?

(Consolidated Statement of Cash Flows)

The table below compares the main sources of cash receipts and cash payments during the financial years ended 30 June 2017 and 30 June 2018.

Main sources of cash in and out	2017-18 \$millions	2016-17 \$millions	Change %
Net cash received from operations (excluding interest and borrowing costs)	\$43.53m	\$54.32m	(19.87%)
Purchases and construction of assets	\$(70.17)m	\$(68.13)m	(3.00%)
Payment for investment property	\$(4.47)m	-	(100.00%)
Proceeds from sale of assets	\$1.15m	\$0.91m	25.93%
Capital grants, subsidies and contributions	\$17.48m	\$30.70m	(43.05%)
Repayment of debt	\$(4.66)m	\$(6.78)m	(31.29%)

See Consolidated Statement of Cash Flows for more information

Major cash flow sources are explained below:

- net cash received from operations: includes receipts of rates, fees and charges and operating grants, offset by payments for employee costs and materials and services
- purchases and construction of assets: includes payments for the purchase and construction of property, plant and equipment. The major purchases are for land, sewerage, roads and park assets
- payment for investment property: includes payments for the purchase of investment property by Redland Investment Corporation
- proceeds from sale of assets: includes proceeds from sale of property, plant and equipment
- capital grants, subsidies and contributions: includes cash contributions from developers to pay for infrastructure Council needs to build to provide services to new developments
- repayment of debt: repayments of principal on Council's loans with Queensland Treasury Corporation.

The Group started the 2017-18 financial year with \$157.40m cash in the bank and ended the year with \$141.52m.

Community future vision



In May 2018, Council adopted its revised Corporate Plan for the five year period 2018-2023. The Corporate Plan contains the themes or 'vision outcomes' as communicated by the Redlands community in the Redlands 2030 Community Plan.

Other than the day-to-day operational needs to keep Council's services running, there have been improvements to help expand services, bringing Council closer to the 'vision outcomes' goals outlined in the Redlands 2030 Community Plan, such as:

- delivering a new Customer Service Centre at Victoria Point Library
- completing Point Lookout Wastewater Treatment Plant
- continuing to reduce debt level with Queensland Treasury Corporation.

Strategic priorities

Council has six strategic priorities that form the guiding principles to shape and achieve the strategic vision for the current local government term. These priorities are integrated with the Corporate Plan. The following strategic priorities are considered the main drivers of Redlands growth and development:



Summary

Maintaining Council's financial position to support long-term financial sustainability remains a priority. We are embracing innovation and collaboration to continue to deliver projects and services while maintaining community assets and financial capital.

Key 20107-18 highlights

- Council delivered the largest capital program to date at \$69.21m.
- The Asset Management Project continued to ensure Council is an Asset Smart organisation – one that has a framework supported by policies, systems and appropriate technology that achieve best practice in managing and maintaining more than \$2.54b of community assets.
- Council undertook community consultation around the best way to manage and fund the maintenance required for the city's canals at Raby Bay and Aquatic Paradise and lake at Sovereign Waters. The adopted 2018-19 Budget included a move away from special charges and the introduction of new rating categories for Raby Bay properties to fund revetment wall repairs in the estate. Council will pay for canal and lake dredging and maintenance at Raby Bay, Aquatic Paradise and Sovereign Waters, funded through general rates.
- Council recognised \$2m of dividend income from Redland Investment Corporation, Council's wholly-owned subsidiary.
- The 2018-19 Budget development process saw a continued focus on prioritisation guidelines to approve new operational and capital expenditure.
- Business process improvement projects continued to be initiated across Council to encourage effective use of available resources and cut out non-value adding activity.

REDLAND INVESTMENT CORPORATION



Beneficial Enterprise Statement of Operations

Redland Investment Corporation (RIC) was established by Redland City Council in 2014 to identify and deliver alternative revenue sources, while realising opportunities for the Redlands Coast community.

Key Projects – 2017-18

RIC continued to focus on unlocking value from Council assets, to deliver a financial return and benefit the Redlands Coast community.

One of RIC's key achievements for the year included the completion of a 13-townhouse development, Ava Terraces, located at 9-11 Oaklands Street in Alexandra Hills.

RIC provided property project management and professional and administration services for the Toondah Harbour and Weinam Creek PDAs.

RIC also facilitated the purchase of Moores Road land within the Weinam Creek PDA on behalf of Council and was tasked with assisting Council with the development of the PDA.

RIC improved access and facilitated the sale of the car park at 110 Queen Street and continues to assess opportunities on various sites within Redlands Coast.

Vision

RIC is an innovative, responsible and sustainable company that strives to achieve its business objectives to deliver successful economic and social outcomes for the Council and the community.

Mission

- **Grow** the Redland economy through the facilitation of development and business opportunities and supporting local jobs.
- **Lead** the Redland development industry by delivering high quality, exemplary projects that take into account the environment, community and best practice industry principles.
- **Balance** financial returns with consideration of the community's broader needs, including social and environmental aspects.
- **Focus** on creating intergenerational equity for Council and the Redland community to provide economic gains for the long-term benefit of the community.
- **Build** profitable, successful projects and respected relationships with business groups and the community.



A white waste management truck is parked on a grassy area. The truck has a large green stripe running along its side. On the side of the truck, there is a large image of green grass and a pile of green waste. Below this image, the text "Thanks for your GREEN WASTE" is written in white. In the foreground, a green trash bin with a green lid and black wheels is positioned. The bin has a black strap across its front. The truck's rear mechanical components, including a hydraulic arm and various hoses, are visible. A semi-transparent white box is overlaid on the upper left portion of the truck's body.

REDWASTE

Thanks for your
GREEN WASTE

Business Unit Statement of Operations and Annual Report

RedWaste, a commercial business unit of Redland City Council, is Council's waste management unit. It is responsible for:

- collecting kerbside waste, recycling and green waste
- collecting waste and recycling from park and street bins
- reducing waste to landfill through recycling and resource recovery activities
- operating two mainland and six island waste handling facilities, including Council's tip shop, RecycleWorld
- maintaining existing and planning for future waste and recycling infrastructure
- providing waste and recycling education and extension programs
- delivering programs and initiatives to meet Council's waste strategy targets for waste reduction and resource recovery.

RedWaste provided services to Council and the community in accordance with the RedWaste Annual Performance Plan (APP) 2017-18. In 2017-18, RedWaste provided essential waste and recycling collection services to 59,843 households, and collected and processed 116,223 tonnes of solid waste. Of this amount, 44.6% was recycled or recovered, a decrease of 1.6% from the previous financial year.

Our statutory duties

This Annual Report has been provided to meet the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. This legislation requires RedWaste to report annually on its operations and performance and includes information on:

- changes made to the annual performance plan during the year
- impacts of the annual performance plan, including:
 - financial position
 - operating surplus or deficit
 - prospects.
- details of Council's direction to the unit.

Redland City Council's waste strategy

Council's waste management strategy, the Waste Reduction and Recycling Plan 2015-2020, adopted in December 2015, sets the direction for increasing recycling and resource recovery and builds on the previous 10-year waste plan. It highlights achievements from the past five years and sets objectives and targets and an implementation plan for 2015 to 2020.

Highlights and achievements delivered under the Waste Reduction and Recycling Plan 2015-2020

- Council finalised a tender and awarded a contract for waste, recyclables and green waste collection services to start from 1 July 2018.
- Council finalised a tender and awarded a contract for collection, transport and processing of green waste and timber to start from 1 July 2018.
- A campaign of promoting no establishment fees on green waste and larger 340 L recycling bins was delivered to stimulate an uptake in green waste collection services. The campaign was very successful, with the total households participating in the kerbside green waste collection service increasing from 17.9% to 19.7%.
- Council continued to be updated on emerging external strategic factors impacting waste management. It reviewed the draft State Directions paper, Transforming Queensland's Recycling and Waste Industry, and submitted a written response.
- Council joined the newly-created Waste Working Group at Council of Mayors (SEQ), to develop initiatives that advance regional collaboration to enhance waste and resource recovery benefits to RCC.
- Council started a review of its bulk waste disposal plan that will ensure the security of waste disposal post 2020.
- Council undertook a stage 1 feasibility study of on-island green waste management options, which included consultation with local community stakeholders.
- Waste characterisation audits were completed, providing quarterly waste composition data from older established, newly-developed and Southern Moreton Bay Islands houses.

Specific highlights for 2017-18

- Domestic kerbside recycling performance remained stable at 26.1%.
- Diversion of waste to recycling, resource recovery or reuse at Council's eight waste transfer stations was 67.7%.
- Total waste diverted from landfill (resource recovery) 44.6% in 2017-18, down from 46.3% in 2016-17.
- The kerbside green organics wheelie bin collection service continued to grow and, in 2017-18, was accessed by 11,518 households, or 20% of eligible properties.
- 4,648 tonnes of scrap metal were recovered at Council waste transfer stations.
- More than 30,000 tonnes of carbon emissions were reduced through Council's landfill gas renewable energy facility at Birkdale's closed landfill.
- Council's environment and waste education officers delivered 65 school waste education visits and 11 community workshops and events on topics including waste minimisation, recycling, composting and litter prevention.

Key performance indicators

Number of domestic waste collections				
	2014-15	2015-16	2016-17	2017-18
Waste and recycling	55,252	57,080	57,669	59,843
Green waste	8,331	9,361	10,348	11,518

Recyclable material diverted from kerbside waste stream				
	2014-15	2015-16	2016-17	2017-18
Total kerbside domestic waste (tonnes)	55,949	56,243	59,098	60,679
Total kerbside co-mingled recycling (tonnes)	12,413	11,814	12,176	12,136
Total kerbside green waste (tonnes)	2,451	2,677	3,072	3,654
Percentage of kerbside material diverted from landfill (%)	26.6%	25.8%	25.9%	26.1%

Recoverable material diverted from landfill at waste transfer stations				
	2014-15	2015-16	2016-17	2017-18
Total domestic waste received at transfer stations (tonnes)	57,701	47,650	46,395	47,010
Materials diverted for recycling/reuse at transfer stations (tonnes)	42,050	34,687	33,140	32,553
Material diverted from landfill at transfer stations (%)	73%	73%	71%	67.7%

Kilograms per household per week				
	2014-15	2015-16	2016-17	2017-18
Kerbside domestic collection (waste, recycling and green waste)	19.6	18.9	19.7	19.5
Kerbside waste collection	14.3	13.8	14.6	14.4
Kerbside recycling collection (recycling and green waste)	5.3	4.9	5.1	5.1

Resource recovery rate – total domestic waste material diverted for reuse and recycling				
	2014-15	2015-16	2016-17	2017-18
Total domestic waste handled (tonnes)	103,562	103,893	104,363	107,581
Total waste diverted from landfill (tonnes)	49,377	49,178	48,135	48,089
Waste recycled (% of total waste)	47.7%	47.3%	46.3%	44.6%

Complaints and compliments				
	2014-15	2015-16	2016-17	2017-18
Percentage of missed service complaints (%)	0.027%	0.028%	0.024%	0.029%
Percentage of other complaints (%)	0.0002%	0.003%	0.002%	0.002%
Number of compliments	23	24	24	42

Annual Performance Plan (APP) – Key performance indicators

	Key performance indicator	Frequency	APP yearly target	Yearly KPI achieved
Green living	Total kg of domestic waste landfilled per capita per year	Annually	Max 358 kg	382 kg
	Municipal solid waste resource recovery rate	Quarterly	Min 49.4%	44.7%
Healthy and natural environment	% compliance with Department of Environment and Heritage Protection waste licence requirements for waste management facilities	Quarterly	Min 98%	99.7%
An efficient and effective organisation	Waste operating revenue	Monthly	+/- 5%	4.3%
	Waste operating goods and services	Monthly	+/- 5%	16.4%
	Waste capital expenditure	Monthly	+/- 5%	28.0%
	Lost time injuries	Annually	Max 20	0
	Missed service complaints	Annually	<0.035%	0.029%

RedWaste Business Unit Annual Performance Plan

Council adopted the 2017-18 RedWaste Annual Performance Plan (APP) at the General Meeting held on 21 June 2017. The APP includes:

- objectives of the unit
- nature and extent of the significant business RedWaste is to conduct
- financial and non-financial performance targets
- nature, extent, cost of and funding for the community service obligations the unit must perform
- notional capital structure, and treatment of surpluses
- proposed major investments
- outstanding and proposed borrowings
- policy on the level and quality of service consumers can expect
- delegations necessary to allow the unit to exercise autonomy in its commercial activities
- type of information the unit's report to the local government must contain.

Council decisions affecting the RedWaste business unit during 2017-18

There were no Council decisions that affected the RedWaste Business Unit during 2017-18.

Financial report and community service obligations

Details of RedWaste's financial statements for the year ended 30 June 2018 are contained in the financial statements on pages 119-159.



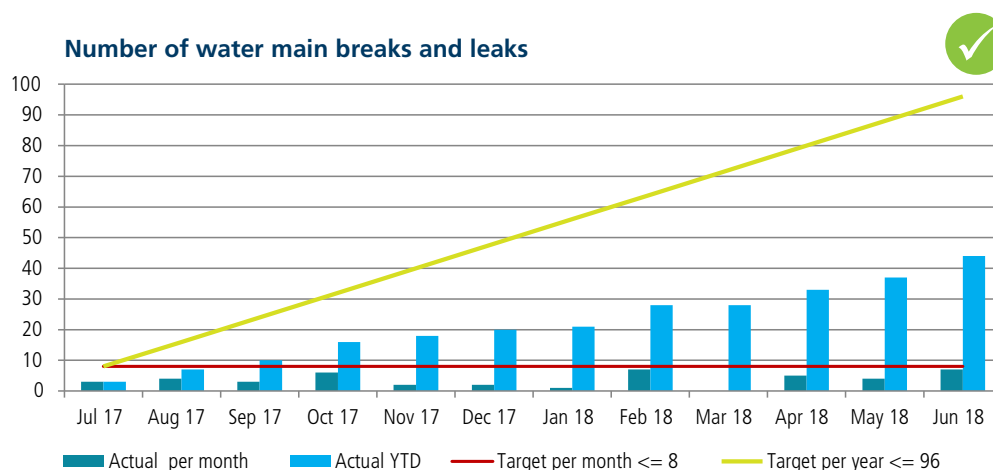
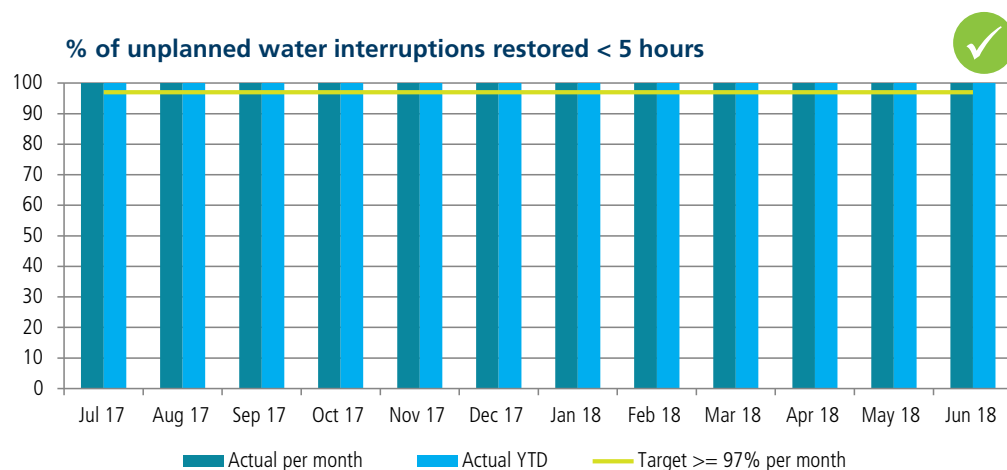
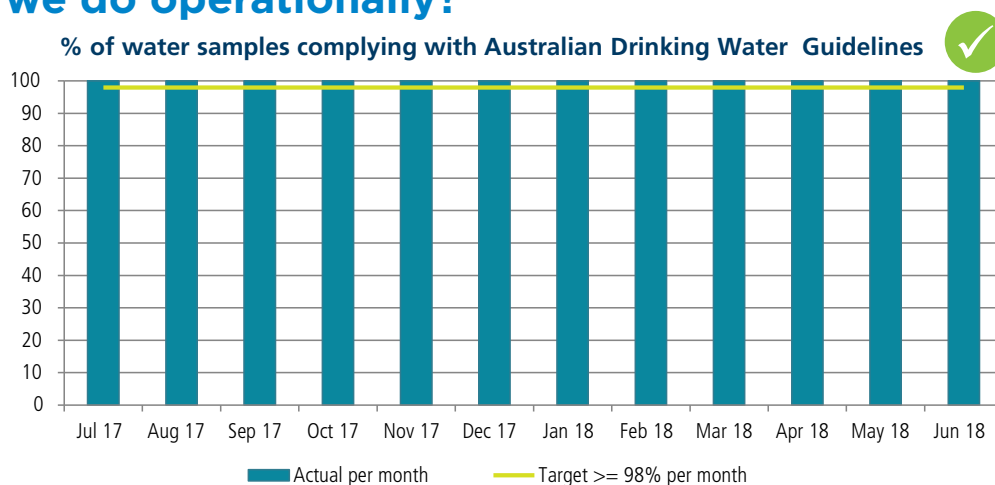
REDLAND WATER

Redland Water highlights

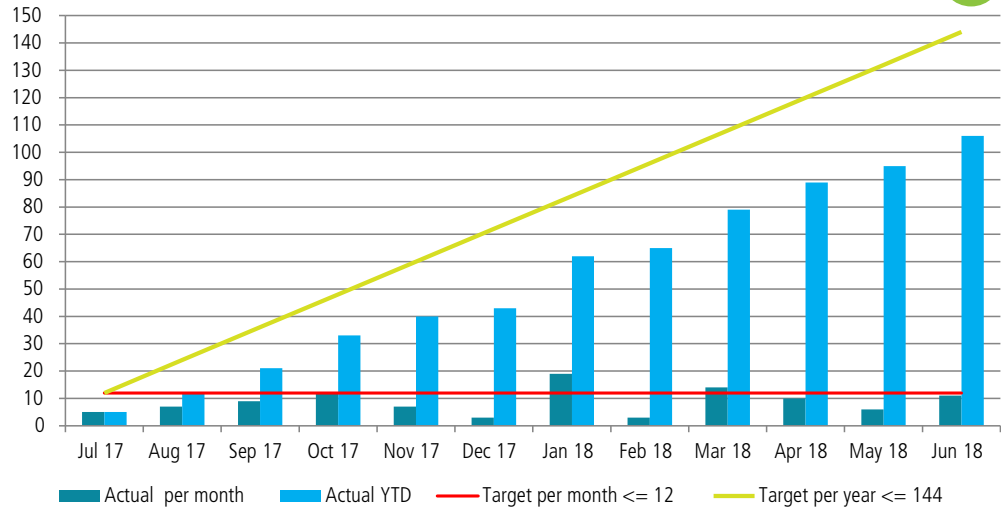
Redland Water is a commercial business unit of Redland City Council, responsible for water supply and wastewater collection and treatment. Redland Water's mission is to meet or exceed agreed standards of water and wastewater services while managing the business for long-term success.

Redland Water contributes to preserving the city's quality of life by servicing the Redlands Coast population through 55,867 water service connections and 53,607 wastewater connections. In 2017-18, Redland Water purchased 13,069 megalitres of drinking water to supply to its customers and treated 10,614 megalitres of wastewater.

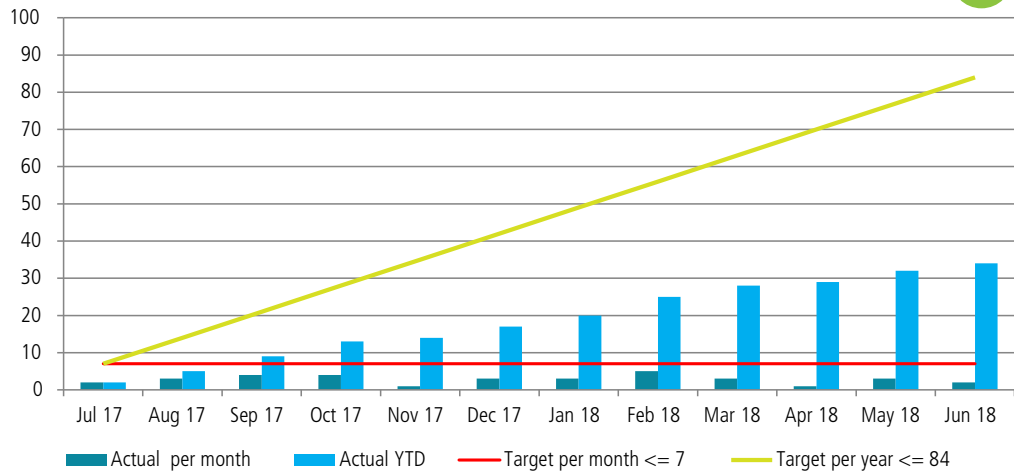
How did we do operationally?



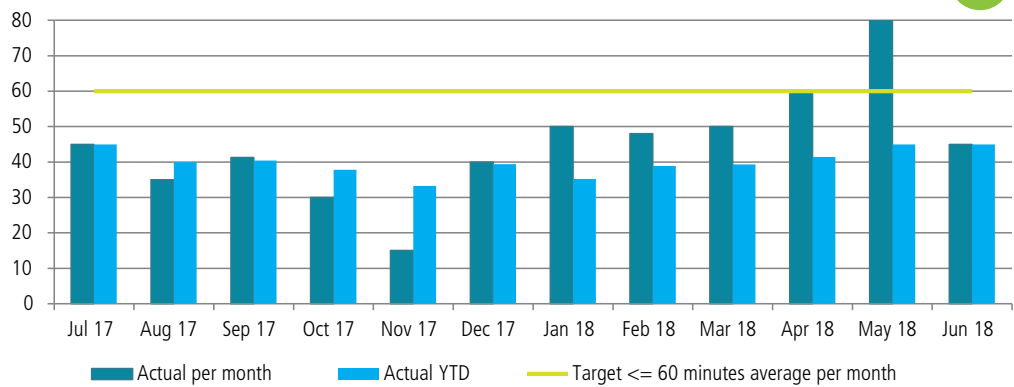
Number of water quality incidents per month

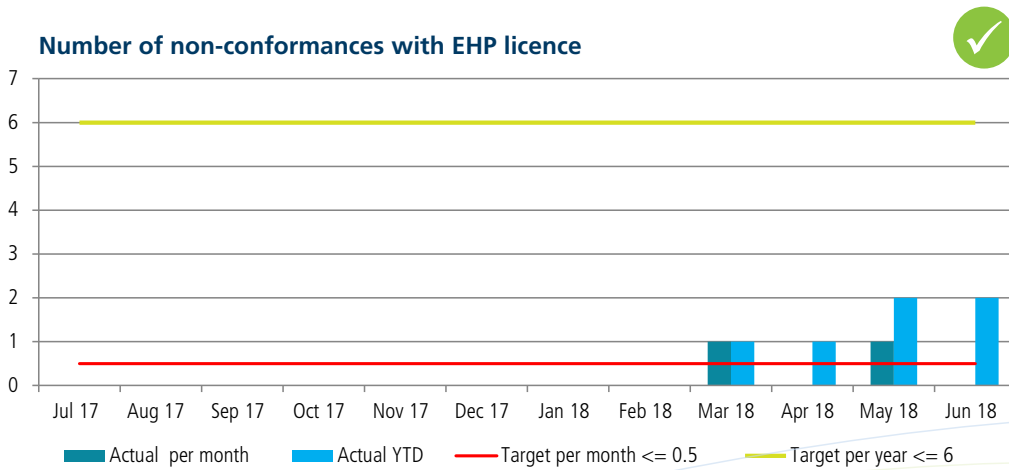
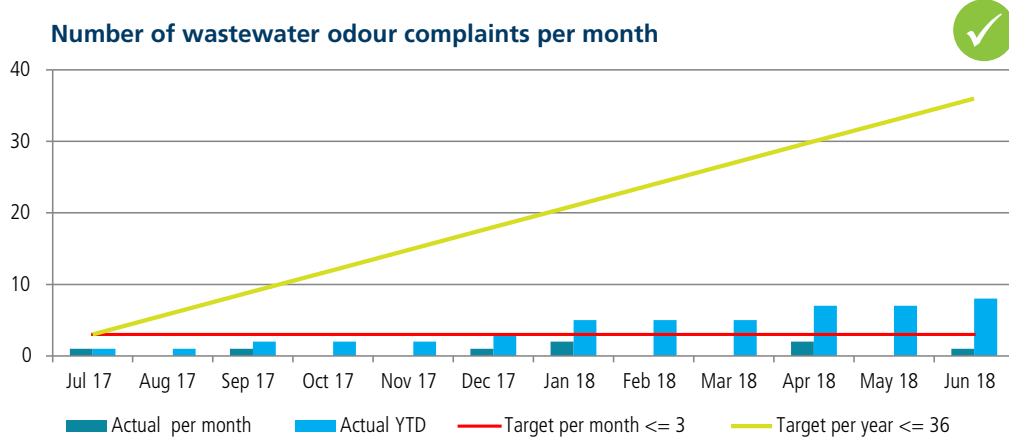
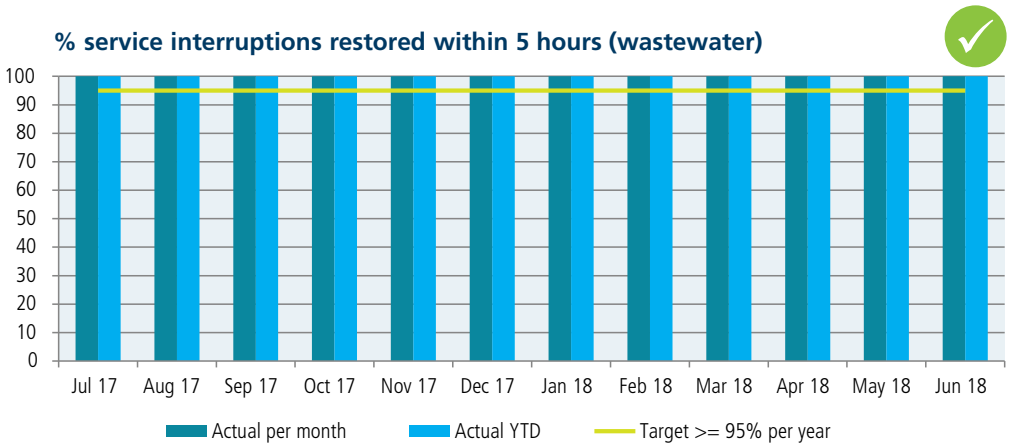


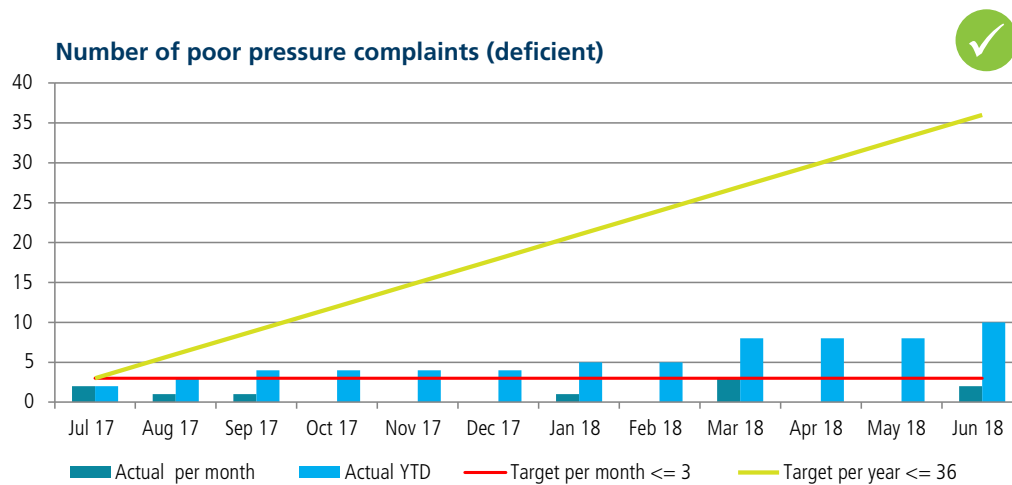
Overall number of dry weather overflows



Average response or reaction time to wastewater incident



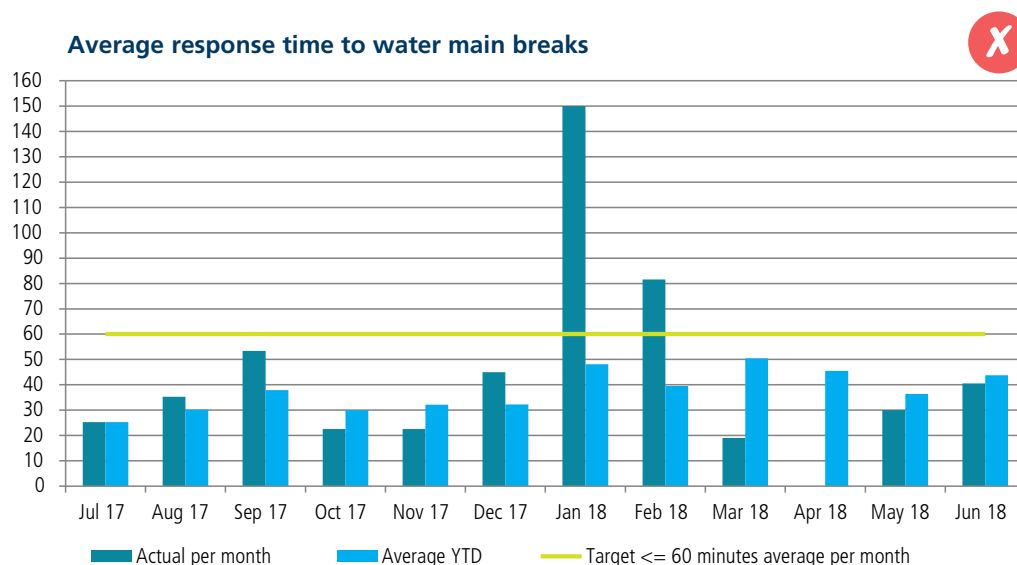




Water supply

Project	Description	Budget	Expenditure to date	Comments
Fire flow improvements	A new water main was constructed from Tenanne Street to Bay Drive on Russell Island.	\$30,000	\$24,008	Construction was completed in May 2018, with commissioning in June 2018.
Fire flow improvements	A new water main was constructed from Old Cleveland Road East to Jones Road, Birkdale.	\$70,000	\$27,359	Construction was completed in June 2018, with commissioning scheduled for the first week of July 2018.

Water	
Reservoirs	5
Length of water main	1,301 km
Number of active meters	58,528
Number connected residential properties (including vacant land 7,431)	65,886
Number connected non-residential properties	2,478
Total number connected (charged access fees 1 July 2018)	68,364
Water purchased	13,069 ML
Water supplied (estimated)	12,633 ML
Total assets	\$292m



Wastewater

Project	Description	Budget	Expenditure to date	Comments
Thorneside inlet structure, odour control and bypass pipeline	This involved replacement of existing inlet structure, new band screens and grit removal, odour control and bypass pipeline to improve environmental outcomes for Tingalpa Creek and Moreton Bay.	\$4,194,384	\$4,018,739	Queensland Government provided a grant of \$1,388,218 towards this project. Project was undertaken over two years.
Pump Station 35 upgrade	The tender for this project was issued in January 2017. It involves a new pumping station and associated rising main.	\$3,141,623	\$3,963,669	Queensland Government provided a grant of \$1,369,195 towards this project. Project was undertaken over two years.

Wastewater	
Treatment plants	7
Pumping stations	138
Length of sewer main	1,200 km
Active services (including vacant land, 991)	51,749
Number of active services non-residential	1,858
Total number of connected properties (including vacant land)	53,607
Wastewater treated (effluent)	10,614 ML
Sludge for re-use	99% (18,316 tonnes)
Recycled effluent for reuse	88.6 ML
Trade waste generators	804
Trade waste discharged to sewer	346 ML
Total assets	\$510m

Our statutory duties

Under the *SEQ Water (Distribution and Retail Restructuring) Act 2009*, Redland Water is required to prepare a Water Netserv Plan. A revised Netserv Plan Part A has been adopted by Council that is aligned to the new Redland City Plan. The revised Netserv Plan Part A will come into effect with the commencement of the Local Government Infrastructure Plan.

Redland Water continues to maintain close liaison and regional collaboration with South-East Queensland water service providers and Seqwater.

Currently, Redland Water is required to report against its Drinking Water Quality Management Plan, which was reviewed on 31 May 2018 and submitted to the Regulator for approval on 14 June 2018. Further reviews are required to be completed every two years. The first regular audit of the plan was conducted on 9 and 10 March 2016. Further audits are required to be completed every four years, with the next external audit due by 30 June 2020. Redland Water provided the Regulator with regular audit reports on 19 April 2016 in accordance with section 108 of the *Water Supply (Safety & Reliability) Act 2008*.

Redland Water is required to provide the Regulator with an annual report, in accordance with sections 141 and 142 of the *Water Supply (Safety & Reliability) Act 2008* in each financial year and this report must be made available to the public.

This report details Redland Water's performance for the 2017-18 financial year and fulfils the business unit's duties under the *Local Government Act 2009*, the *Water Act 2000* and the *South East Queensland Water (Distribution and Retail Restructuring) Act 2009*.

Financial report and community service obligations

Details of Redland Water's financial statements for the year ended 30 June 2018 are contained in the Financial Statements on pages 119-159.

Environmental initiatives

Redland Water continued its focus on improving the environmental performance of its wastewater treatment plants, pump stations and water and wastewater reticulation mains. Activities for 2017-18 included:

Potable water

- Design was completed to replace an AC main along Dickson Way, Point Lookout, North Stradbroke Island, with construction planned for early 2018-19 financial year. The existing main has suffered from repeated bursts in recent years.

Wastewater

- There was a continued focus on preventative maintenance of wastewater treatment plant and pump station assets, including updating of asset management plans for these facilities.
- Pump stations were upgraded at PS29 Ferry Road and PS35 Birkdale Road with new pumps and pipework.
- Replacement of the entire telemetry system for all active assets was completed.
- Six pump station switchboards were replaced.
- All biosolids produced from the wastewater treatment plants was reused via land application.
- The upgrade of the Thorneside wastewater treatment plant inlet structure, screens, grit removal, odour control and bypass pipeline was completed.
- The dechlorination system to improve effluent quality and environmental outcomes in Hilliards Creek was implemented.
- Design, document preparation and tendering of phase 1 of the Point Lookout backlog sewer project was undertaken.

Delivering on customer service

Customer service standards

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

Below is a summary of Redland Water's water and wastewater service standard key performance indicators (KPIs), targets and performance for 2017-18 in the Redland Water Annual Performance Plan for water and wastewater services, as adopted by Council on 21 June 2017.

KPI	Unit	APP yearly target	Actual	
Operating revenue (actual to budget)	%	+/-5%	1.02%	✓
Operating goods and services expenditure (actual to budget)	%	+/-5%	-3.95%	✓
Capital expenditure (actual to budget)	%	+/-5%	-38.02%	✗
Treatment costs per property serviced (wastewater)	\$	\$120.89	\$146.23	✗
Maintenance costs per property serviced (water)	\$	\$44.45	\$53.14	✗
Maintenance costs per property serviced (wastewater)	\$	\$82.41	\$83.95	✗
Number of wastewater treatment plant non-conformances with EHP licence	#	Max 6	2	✓
% compliance with Australian Drinking Water Guidelines (ADWG) within distribution system. Does not include non-compliant water received at the point of transfer to the distribution system, i.e. from the bulk water authority or the bulk transport authority	%	Min 98%	100% every month	✓
Number of lost time injuries	#	0	2	✗

✓ KPI achieved

✗ KPI not achieved

Managing our assets

Operational performance 2017-18

In fulfilling the duties of its performance plan, Redland Water provided all stated services and roles for:

- water supply to customers
- wastewater collection and treatment
- trade waste.

Redland Water also:

- reported monthly on water and effluent quality, and financial and capital project status
- complied with Council's corporate plan, policies and procedures, and integrated environmental management system.

Drinking water quality monitoring

Drinking water quality monitoring is undertaken through a verification monitoring program approved by the Regulator. Under the *Water Supply (Safety and Reliability) Act 2008* Section 102 and the *Public Health Act 2005*, Redland Water must report to the Regulator any non-compliance with health guidelines or report an event that may impact public health. Full compliance with Australian Drinking Water Guidelines was achieved in 2017-18, with no incident reported to the Regulator.

Redland Water is required to provide the Queensland Department of Energy and Water Supply with annual reports within 120 business days of the end of the financial year.

A full-page background image showing a person swinging on a tree swing at sunset. The scene is silhouetted against a bright orange and yellow sky. A large, gnarled tree stands on the left, with a person swinging from a rope hanging from one of its branches. The sun is low on the horizon over a body of water. In the foreground, a sandy beach is visible with some footprints. A dog is lying on the beach to the right. The overall mood is peaceful and nostalgic.

STATUTORY INFORMATION

Business activities

Under the *Local Government Act 2009*, Council must provide specific information about its operations and key policies. This section includes a large portion of the information required under the Act, with the remaining information in other sections of this annual report.

A full list of annual reporting requirements for councils required under the Act is provided on pages 160-165 and where to find the relevant information in this report.

Business activities subject to the Code of Competitive Conduct

Significant business activities

Redland Water is a commercial business unit of Council, responsible for water supply and wastewater treatment. You can find more information on Redland Water's activities in 2017-18 on pages 104-111.

RedWaste, which looks after Council's waste management activities, is also a significant business activity. You can find more information on RedWaste's activities in 2017-18 on pages 98-103.

The competitive neutrality principle has been applied to both business activities above. There were no investigation notices given in 2017-18 under section 48 of the *Local Government Regulation 2012* for competitive neutrality complaints.

Under section 190(c) of the *Local Government Regulation 2012*:

- a local government's annual report for a financial year must include an annual operations report for each commercial business unit
- an annual operations report for a commercial business unit means a document that contains the following information for the previous financial year:
 - ♦ information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan
 - ♦ particulars of any changes made to the unit's annual performance plan
 - ♦ particulars of the impact the changes had on the unit's:
 - financial position
 - operating surplus or deficit
 - prospects
 - particulars of any directions the local government gave the unit.

Beneficial enterprises

Under section 41 of the *Local Government Act 2009*, a local government's annual report for each financial year must contain a list of all the beneficial enterprises conducted during the financial year.

Council's beneficial enterprises include the Redland Investment Corporation (RIC) as well as its subsidiary companies that are local government controlled entities: RIC Toondah Pty Ltd, Ava Terraces Pty Ltd and Cleveland Plaza Pty Ltd.

Attendance at Council meetings

As required under section 186(d) of the *Local Government Regulation 2012*, the table below details the number of local government meetings each Councillor attended during the financial year.

Statutory meetings attended	Mayor Cr Williams	Division 1 Cr Boglary	Division 2 Cr Mitchell	Division 3 Cr Gollè	Division 4 Cr Hewlett	Division 5 Cr Edwards	Division 6 Cr Talty	Division 7 Cr Elliott	Division 8 Cr Huges	Division 9 Cr Gleeson	Division 10 Cr Bishop
General Meetings (19 held)	14	18	16	17	18	19	17	19	19	17	19
Special Meetings (4 held)	4	4	4	3	4	4	4	4	4	4	4
TOTALS	18	22	20	20	22	23	21	23	23	21	23

Councillor remuneration

In accordance with section 186(a) of the *Local Government Regulation 2012*, the annual report of the local government contain particulars of the total remuneration, including superannuation contributions, paid to each Councillor during the financial year.

Councillor remuneration is set by the independent Local Government Remuneration and Discipline Tribunal, established under the *Local Government Act 2009*. The Tribunal is responsible for determining the maximum remuneration payment to the Mayor, Deputy Mayor and Councillors. The 2016 Local Government Remuneration and Discipline Tribunal Report determined that remuneration to be paid for 2017-18, as follows:

Mayor:	\$171,989
Deputy Mayor:	\$117,265
Councillor:	\$101,631

Division	Name	Gross salary*	Council superannuation contributions
	Mayor Williams	\$171,923.59	\$20,568.34
1	Cr Boglary^ (Deputy Mayor to April 2018)	\$114,394.21	\$13,727.27
2	Cr Mitchell	\$101,591.79	\$12,190.96
3	Cr Gollè	\$101,591.79	\$12,190.96
4	Cr Hewlett (Deputy Mayor from April 2018)	\$104,418.05	\$12,530.11
5	Cr Edwards	\$101,591.79	\$12,190.96
6	Cr Talty^^	\$94,555.87	\$11,346.66
7	Cr Elliott	\$101,591.79	\$12,190.96
8	Cr Huges	\$101,591.79	\$12,190.96
9	Cr Gleeson	\$101,591.79	\$12,190.96
10	Cr Bishop	\$101,591.79	\$12,190.96
TOTAL		\$1,196,434.25	\$143,509.10

* Gross salaries paid to Councillors were slightly lower than the remuneration figures determined by the Local Government Remuneration and Discipline Tribunal. This was due to pays including 5 days at 2016-17 rates.

^ Gross salary for Cr Boglary was slightly lower due to a short period during which Cr Hewlett filled the role of Deputy Mayor. Cr Hewlett was compensated accordingly.

^^ Cr Talty took an absence without pay during the year.

Expenses reimbursement and provision of facilities for Councillors

In accordance with section 250 of the *Local Government Regulation 2012*, Council must have an Expenses Reimbursement Policy for Councillors. In July 2017, this policy was reviewed and a minor administrative change was made, to remove an incorrect reference to the small grants program.

The objective of this policy is to ensure the payment of legitimate and reasonable expenses incurred by Councillors for discharging their duties and responsibilities as Councillors, and to provide facilities to Councillors for those purposes. This is to ensure Councillors are not financially disadvantaged as a result of carrying out their official duties.

The policy is also aimed at reflecting the community's expectations about the extent of a Councillor's duties and responsibilities and its expectations about the resources and reimbursement provided to Councillors from public funds. This policy does not deal with the provision of remuneration, nor does it cover non-business-related expenses or facilities incurred by other people, including a Councillor's partner.

The full policy is available on Council's website.

Mayor and Councillor expenses and facilities

Under section 186(b) of the *Local Government Regulation 2012*, the following expenses were incurred by, and the facilities provided to, each Councillor for conference, training, travel, hospitality and other expenses incurred in accordance with Council's Expenses Reimbursement and Provision of Facilities for Councillors Policy (POL-3076).

Division	Name	Conferences, training and community events^^	Transport*	Total
	Mayor Williams	\$18,068.96	\$17,865.03	\$35,933.99
1	Cr Boglary (Deputy Mayor to April 2018)	\$3,408.99	\$26.85	\$3,435.84
2	Cr Mitchell	\$8,342.52	\$9,082.00	\$17,424.52
3	Cr Gollè	\$5,268.56	\$11,121.28	\$16,389.84
4	Cr Hewlett (Deputy Mayor from April 2018)	\$1,176.98	\$12,363.62	\$13,540.60
5	Cr Edwards	\$2,484.99	\$21,245.41	\$23,730.40
6	Cr Talty	\$899.32	\$9,135.92	\$10,035.24
7	Cr Elliott	\$104.55	\$5.67	\$110.22
8	Cr Huges	\$2,848.86	\$16,158.82	\$19,007.68
9	Cr Gleeson	\$350.00	\$15,876.00	\$16,226.00
10	Cr Bishop	\$3,045.74	\$14,577.03	\$17,622.77
TOTAL		\$45,999.47	\$127,457.63	\$173,457.10

* Vehicles, travel, ferries, parking and fares.

^^ Includes travel costs associated with events whether attended in a discretionary capacity or as a delegate on behalf of Council.

Overseas travel

Name	Destination	Purpose	Cost* (ex. GST)
Mayor Williams	Auckland, New Zealand	World Indigenous Tourism Summit 15-18 April 2018	\$889.33**
Cr Mitchell		(Resolution of General Meeting of 21.3.18, item 11.2.2)	\$2,483.39
Mayor Williams	Singapore	Council of Mayors (SEQ) International Business Mission, 2-7 July 2017 (Resolution of General Meeting of 7.6.17, item 11.2.4)	\$3,674.00^
Mayor Williams	China/South Korea/Japan	2017 Asia Pacific Cities Summit (APCS), pre APCS Business Mission, post APCS Lord Mayoral Business Mission and visit Redland City's Sister City & Friendship City, September 2017 (Resolution of General Meeting of 7.6.17, item 11.2.4)	\$12,237.13^^

* Includes registration fees, airfares, accommodation, meals, transport/taxi costs unless otherwise stated

** Cost excludes airfares as these were paid for by Air New Zealand under a sponsorship arrangement

^ Cost for airfares only. Note: This expense was paid for in 2016-17 and reported in 2016-17 Annual Report (page 20), under mandatory training

^^ Original cost was \$13,537.13, however, Council of Mayors (SEQ) reimbursed \$1,300 towards flights to the Asia Pacific Cities Summit and Lord Mayoral Business Mission

Services provided by another government

Under section 190(d) of the *Local Government Regulation 2012*, Council must include details of any service, facility or activity supplied by another local government (under an agreement for conducting a joint government activity), where special rates or charges were levied.

There were no services supplied by another government in 2017-18.

Tenders

During 2017-18 there were changes to two tenders:

- Sovereign Waters Wetlands Rehabilitation (reduction in scope of works)
- IndigiScapes Shed (increase in scope of works).

Shareholder delegates

There were no shareholder delegates for corporate entities in 2017-18.

Registers

Council maintains a number of registers that are available to the public:

- Adopted Committee and Council Meeting Dates
- Assets
- Authorised Persons
- Beneficial Enterprise
- Business Activities
- Cat and Dog
- Complaints
- Corporate Gifts
- Cost Recovery Fees
- Council Policies
- Delegations
- Contact with Lobbyists
- Local Laws and Subordinate Local Laws
- Mayor to CEO Directions
- Minutes of Local Government Meetings
- Personal Identification (in relation to animals)
- Regulated Dogs
- Regulatory Fees
- Roads.

Statement of Interests are held for:

- Councillors
- Chief Executive Officer
- senior contract employees
- a person who is related to a Councillor, Chief Executive Officer, or senior contract employee.

Concessions for rates and charges

In 2017-18, Council provided general rate concessions to support cultural and economic development, not-for-profit organisations, and pensioners on Centrelink or DVA Gold Card benefits. Pensioners who lived in homes where the roofline extended over an adjoining boundary in the same ownership name also received concessions on separate and special charges. A concession on separate and special charges was also provided for parcels of contiguous land in the same ownership name, for farmers carrying on a business of primary production.

Concessions in the form of payment arrangement agreements were provided to ratepayers suffering hardship, to enable rates and charges to be recovered over a longer period.

Council also accepted concessional agreements for the voluntary transfer of unencumbered land in full or part payment of rates or charges, where that land was of nominal value and identified as having insurmountable drainage constraints or significant conservation value.

Further details are available in the 2017-18 Budget documentation and associated policies on Council's website.





CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

TABLE OF CONTENTS

	Page No
Consolidated Statement of Comprehensive Income	3
Consolidated Statement of Financial Position	4
Consolidated Statement of Changes in Equity	5
Consolidated Statement of Cash Flows	6
 Notes to the Consolidated financial statements	
1 Basis of preparation and compliance	7
2 Significant accounting policies	10
3 Statement of functions and activities	
(a) Functions of the consolidated entity	14
(b) Analysis of results by function	15
4 Revenue analysis	16
5 Grants, subsidies and contributions	16
6 Employee benefits	17
7 Materials and services	17
8 Depreciation and amortisation	17
9 Cash and cash equivalents	17
10 Trade and other receivables	18
11 Inventories	18
12 Investment property	18
13 (a) Property, plant and equipment	19
(b) Property, plant and equipment - prior year comparative	20
14 Trade and other payables	21
15 Borrowings	21
16 Provisions	21
17 Asset revaluation surplus	22
18 Commitments	22
19 Contingent liabilities and contingent assets	23
20 Superannuation	23
21 Trust funds	24
22 Reconciliation of net result for the year to net cash flows from operating activities	24
23 Fair value measurements	25
24 Prior period adjustments	28
25 National Competition Policy	29
26 Transactions with related parties	30
27 Events after the reporting period	31
 Management certificate	
Independent auditor's report	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

		Consolidated		Council	
		2018	2017	2018	2017
	Note	\$000	\$000	\$000	\$000
Income					
Recurrent revenue					
Rates, levies and charges	4(a)	228,960	217,308	228,960	217,308
Fees	4(b)	13,109	13,178	12,891	13,014
Interest received	4(c)	4,460	4,510	4,502	4,470
Dividend income	4(d)	-	-	2,000	-
Sales revenue	4(e)	10,717	4,896	3,405	3,903
Other income		3,535	3,216	1,876	2,041
Grants, subsidies and contributions	5(a)	10,846	16,769	10,846	16,769
Total recurrent revenue		271,627	259,877	264,480	257,505
Capital revenue					
Grants, subsidies and contributions	5(b)	20,939	30,696	21,204	30,696
Non-cash contributions	5(b)	13,940	27,776	13,940	27,776
Increase in investment property		-	37	-	37
Total capital revenue		34,879	58,509	35,144	58,509
Total income		306,506	318,386	299,624	316,014
Expenses					
Recurrent expenses					
Employee benefits	6	(86,151)	(84,823)	(84,898)	(83,836)
Materials and services	7	(135,430)	(125,656)	(128,153)	(125,105)
Finance costs		(3,409)	(3,923)	(3,326)	(3,922)
Depreciation and amortisation	8	(63,108)	(56,511)	(63,094)	(56,504)
Total recurrent expenses		(288,098)	(270,913)	(279,471)	(269,367)
Capital expenses					
Loss on disposal of non-current assets		(2,199)	(7,943)	(2,199)	(7,943)
Total capital expenses		(2,199)	(7,943)	(2,199)	(7,943)
Total expenses		(290,297)	(278,856)	(281,670)	(277,310)
Net result		16,209	39,530	17,954	38,704
Other comprehensive income					
Items that will not be reclassified to net result					
Revaluation of property, plant and equipment	13	(23,330)	107,489	(23,330)	107,489
Total comprehensive income for the year		(7,121)	147,019	(5,376)	146,193

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	Consolidated		Council	
		2018	2017	2018	2017
		\$000	\$000	\$000	\$000
Current assets					
Cash and cash equivalents	9	141,515	157,399	138,562	156,415
Trade and other receivables	10	35,156	27,697	40,744	27,273
Inventories	11	18,386	9,112	1,103	552
Non-current assets held-for-sale		-	262	11,113	262
Other current assets		2,033	2,073	2,033	2,073
Total current assets		197,090	196,543	193,555	186,575
Non-current assets					
Investment property	12	13,413	7,149	1,091	1,091
Property, plant and equipment	13	2,537,545	2,559,337	2,537,638	2,559,417
Intangible assets		1,987	2,938	1,987	2,938
Other financial assets		73	73	14,864	14,785
Total non-current assets		2,553,018	2,569,497	2,555,580	2,578,231
Total assets		2,750,108	2,766,040	2,749,135	2,764,806
Current liabilities					
Trade and other payables	14	30,565	39,000	30,387	39,144
Borrowings	15(a)	7,728	7,713	7,728	7,713
Provisions	16(a)	13,567	12,440	13,556	12,429
Other current liabilities		5,804	1,697	4,654	1,697
Total current liabilities		57,664	60,850	56,325	60,983
Non-current liabilities					
Borrowings	15(b)	32,451	37,486	32,451	37,486
Provisions	16(b)	12,939	12,130	12,905	12,108
Total non-current liabilities		45,390	49,616	45,356	49,594
Total liabilities		103,054	110,466	101,681	110,577
Net community assets		2,647,054	2,655,574	2,647,454	2,654,229
Community equity					
Asset revaluation surplus	17	1,003,168	1,070,839	1,003,168	1,070,839
Retained surplus		1,643,886	1,584,735	1,644,286	1,583,390
Total community equity		2,647,054	2,655,574	2,647,454	2,654,229

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

Consolidated	Asset Revaluation Surplus \$000	Retained Surplus \$000	Total Community Equity \$000
	Note		
	13, 17		
Balance as at 1 July 2016	963,350	1,545,205	2,508,555
Net result	-	39,530	39,530
Other comprehensive income for the year:			
Increase/(decrease) in asset revaluation surplus	107,489	-	107,489
Total comprehensive income for the year	107,489	39,530	147,019
Balance as at 30 June 2017	1,070,839	1,584,735	2,655,574
Net result	-	16,209	16,209
Other comprehensive income for the year:			
Increase/(decrease) in asset revaluation surplus	(23,330)	-	(23,330)
Total comprehensive income for the year	(23,330)	16,209	(7,121)
Other adjustments:			
Reclassification to retained surplus	(44,341)	44,341	-
Prior period adjustment	24 -	(1,399)	(1,399)
Balance as at 30 June 2018	1,003,168	1,643,886	2,647,054

Council

Balance as at 1 July 2016	963,350	1,544,686	2,508,036
Net result	-	38,704	38,704
Other comprehensive income for the year:			
Increase/(decrease) in asset revaluation surplus	107,489	-	107,489
Total comprehensive income for the year	107,489	38,704	146,193
Balance as at 30 June 2017	1,070,839	1,583,390	2,654,229
Net result	-	17,954	17,954
Other comprehensive income for the year:			
Increase/(decrease) in asset revaluation surplus	(23,330)	-	(23,330)
Total comprehensive income for the year	(23,330)	17,954	(5,376)
Other adjustments:			
Reclassification to retained surplus	(44,341)	44,341	-
Prior period adjustment	24 -	(1,399)	(1,399)
Balance as at 30 June 2018	1,003,168	1,644,286	2,647,454

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

		Consolidated		Council	
	Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Cash flows from operating activities					
Receipts from customers		255,614	238,565	246,530	236,624
Payments to suppliers and employees		(226,133)	(199,279)	(220,545)	(196,636)
Interest received		4,449	4,510	4,502	4,470
Dividend received	4(d)	-	-	500	-
Non-capital grants and contributions		14,049	15,036	14,049	15,036
Borrowing costs	15	(3,187)	(1,066)	(3,187)	(1,066)
Net cash inflow/(outflow) from operating activities	22	44,792	57,766	41,849	58,428
Cash flows from investing activities					
Payments for property, plant and equipment		(69,929)	(67,296)	(69,929)	(67,225)
Payment for investment property		(4,474)	-	-	-
Payments for intangible assets		(242)	(830)	(242)	(830)
Proceeds from sale of property, plant and equipment		1,146	912	1,146	912
Capital grants, subsidies and contributions		17,480	30,696	17,480	30,696
Other Cashflow from investing activities		-	-	(3,500)	-
Net cash inflow/(outflow) from investing activities		(56,019)	(36,518)	(55,045)	(36,447)
Cash flows from financing activities					
Repayment of borrowings	15	(4,657)	(6,778)	(4,657)	(6,778)
Net cash inflow/(outflow) from financing activities		(4,657)	(6,778)	(4,657)	(6,778)
Net increase/(decrease) in cash and cash equivalents held		(15,884)	14,470	(17,853)	15,203
Cash and cash equivalents at beginning of the financial year		157,399	142,929	156,415	141,212
Cash and cash equivalents at end of the financial year	9	141,515	157,399	138,562	156,415

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

1 Basis of preparation and compliance**1(a) Basis of preparation and statement of compliance**

These consolidated general purpose financial statements are for the period 1 July 2017 to 30 June 2018 in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Consequently, they have been prepared in accordance with all effective Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The consolidated entity is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS). Therefore in some instances these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation gains and losses within a class of assets and the timing of recognition of non-reciprocal grant revenue.

These financial statements are for the group consisting of Redland City Council (RCC) and its subsidiaries (refer to Note 1(b)) and have been prepared under the historical cost convention except for the revaluation of certain non-current assets, financial assets and financial liabilities.

1(b) Principles of consolidation

Council and its controlled entities together form the economic entity which is referred to in these financial statements as 'the group'. The financial statements of the controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions with entities controlled by Council have been eliminated when preparing consolidated financial statements and accounting policies of controlled entities adjusted where necessary to ensure consistency with the policies adopted by the group.

Redland Investment Corporation Pty Ltd (consolidated)

Council has 100% ownership of Redland Investment Corporation Pty Ltd (RIC) which is limited by shares. RIC was formed to enhance the commercial activities of Council and oversees a diverse range of projects across the city. RIC has the following subsidiaries:

AVA Terraces Pty Ltd (consolidated to RIC)

RIC has 100% ownership of AVA Terraces Pty Ltd (AVA) which is limited by shares. AVA was formed to develop and manage land at 9-11 Oaklands Street, Alexandra Hills.

Cleveland Plaza Pty Ltd (consolidated to RIC)

RIC has 100% ownership of Cleveland Plaza Pty Ltd (Cleveland Plaza) which is limited by shares. Cleveland Plaza was registered on 27 July 2017 and was formed to manage the property at 48 Bloomfield Street, Cleveland.

RIC Toondah Pty Ltd (not consolidated as transactions in this entity are not material)

RIC has 100% ownership of RIC Toondah Pty Ltd (RICT) which is limited by shares. RICT was formed to provide the administration services for the day-to-day management of the joint operation between the Minister of Economic Development Queensland (MEDQ), Council and the developer for the project in the Toondah Harbour Priority Development Area. Council's interest in the joint operation is 50%. The project is pending a transfer of State land to MEDQ as well as an environmental assessment, as such nominal transactions have occurred in this entity during the current financial year.

Separate consolidated financial statements for RIC have been prepared for the financial year ended 30 June 2018 and are audited by the Auditor-General of Queensland.

Redheart Pty Ltd (not consolidated as transactions in this entity are not material)

Council has 100% ownership of Redheart Pty Ltd (Redheart) which is limited by shares. Redheart was formed to conduct a beneficial enterprise by holding a mining lease and environmental authority and sell quarry material from Council's German Church Road quarry operations, so as to manage risks and increase commercial flexibility. As at 30 June 2018, the company had net assets of \$2 and remained dormant throughout the financial year.

1(c) Constitution

Redland City Council is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia. Council's subsidiaries are constituted under the *Corporations Act 2001* and are domiciled in Australia.

1(d) Date of authorisation

The consolidated financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate was signed.

1(e) Currency

Council uses the Australian dollar (AUD) as its functional currency and its presentation currency.

1(f) Rounding and comparatives

Amounts included in the consolidated financial statements have been rounded to the nearest \$1,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

1 Basis of preparation and compliance - continued

1(g) New and amended standards adopted by Council

In the current year, the consolidated entity adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

Certain new Standards and Interpretations have been issued that are not yet effective for the 30 June 2018 reporting periods and have not been early adopted by Council. Council's assessment of those new Standards and Interpretations expected to have a material impact on Council's future reporting periods is set out below.

Standard	Nature of change	Impact	Date Council will apply the standard
AASB 9 <i>Financial Instruments</i> and AASB 2016-8 <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities</i>	AASB 9 replaces AASB 139 <i>Financial Instruments: Recognition and Measurement</i> to change the classification, measurement and disclosures associated with financial assets. The four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost. It also introduces a new impairment model for financial assets.	Council reviewed its financial assets and financial liabilities against the new AASB 9 classification and measurement requirements. Based on assessment, Council does not expect any significant impact on the classification and measurement of its financial assets and financial liabilities. Rates receivables and other sundry debtors are within the scope of AASB 9 and will continue to be measured at amortised cost which is the reasonable approximation of fair value. Queensland Treasury Corporation (QTC) borrowings will continue to be measured at amortised cost. Investment in RIC is excluded from the scope of AASB 9 and will continue to be measured based on AASB 10 <i>Consolidated Financial Statements</i> and AASB 127 <i>Separate Financial Statements</i> . As per AASB 9, investment in South East Queensland Regional Recreational Facilities Pty Ltd and South East Queensland Council of Mayors Pty Ltd has to be valued at fair value.	1 July 2018
AASB 15 <i>Revenue from Contracts with Customers</i> and AASB 2016-8 <i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities</i>	The AASB has issued a new standard for the recognition of revenue. It replaces existing revenue recognition guidance, including AASB 118 which covers contracts for goods and services. The new standard is based on the principle that revenue is recognised as each performance obligation as stipulated in the contract with customers is satisfied. It requires an assessment of goods and services promised in a contract and identification of each sufficiently specific performance obligation. Where a contract with a customer does not exist, Council shall consider whether AASB 1058 is applicable.	Council is currently assessing the impact on revenue recognition and measurement. Council is analysing revenue streams to determine whether they represent contracts with customers and therefore fall under AASB 15. The most significant change for Council will likely be to defer income from grants and donations where the delivery of goods and services are enforceable and the performance obligations are sufficiently specific. The majority of grants and donations received by Council are currently recognised on receipt under AASB 1004 <i>Contributions</i> .	1 July 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

1 Basis of preparation and compliance - continued

AASB 1058 <i>Income of Not-for-Profit Entities</i>	AASB 1058 supersedes AASB 1004 <i>Contributions</i> and clarifies income recognition requirements that apply to not-for-profit entities. Under AASB 1058 the timing of revenue recognition depends on whether such a transaction gives rise to a liability or other performance obligation related to cash or another asset received by an entity. Where there is a sufficiently specific performance obligation, revenue recognition is delayed until the recipient entity has satisfied the performance obligation.	Council is currently assessing the effects of the new standard on the financial statements. AASB 1058 will apply to non-contractual income arising from statutory requirements such as rates and infringements. Council will continue to recognise income from grants, including the Financial Assistance Grant, and donations upfront where AASB 15 does not apply. AASB 1058 will require Council to defer refundable prepaid rates to the period they relate where currently they are being recognised upon receipt. The changes may also impact Council's revenue recognition practices in relation to developer contributions.	1 July 2019
AASB 16 <i>Leases</i>	AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing right to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value. The right-of-use asset will give rise to a depreciation expense. The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Consolidated Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease.	The standard will affect the accounting for Council's operating leases to bring them on to the Consolidated Statement of Financial Position. Council is currently assessing the impact on the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position of applying AASB 16 to its current operating leases. Council is currently assessing leases embedded in contracts that it is a party to. As at the reporting date, Council has non-cancellable operating lease commitments of \$11,604,264, refer Note 18 - Commitments. However, Council is considering to what extent these commitments will result in the recognition of lease assets and lease liabilities for future payments and how this will affect Council's net result and classification of cash flows.	1 July 2019
AASB 1059 <i>Service Concession Arrangements: Grantors</i>	The standard applies to arrangements that public sector entities enter into with a private sector operator for the delivery of public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services. An arrangement within the scope of this standard typically involves an operator constructing the assets used to provide the public service or upgrading the assets (for example, by increasing their capacity) and operating and maintaining the assets for a specified period of time.	Preliminary assessment shows this standard will not have a material impact on Council's financial statements.	1 July 2019

1(h) Critical accounting judgements and key sources of estimation uncertainty

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statements notes:

Valuation and depreciation of property, plant and equipment (Note 2(e) and Note 23)
 Long-term employee benefit obligations (Note 2(h), Note 14 and Note 16)
 Landfill rehabilitation provision (Note 2(i) and Note 16)
 Contingent liabilities and contingent assets (Note 19)
 Transactions with related parties (Note 26)
 Events after the reporting period (Note 27)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

2 Significant accounting policies**2(a) Revenue**

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds, or on unconditional entitlement to the funds, if earlier. Revenue is recognised for the major business activities as follows:

Rates and levies

Where rate monies are received prior to the commencement of the rating or levying period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of the rating period. Utility charges are recognised based on consumption except for the fixed component which is recognised at the commencement of the levying period.

Fees

Fees are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

Dividends received

Dividends are recognised when they are declared and are classified in the Consolidated Statement of Cash Flows as operating activities.

Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue upon receipt. Unspent, non-reciprocal grants are held in reserves (restricted funds).

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance and return obligations under the funding agreement are fulfilled.

Non-cash contributions

Physical assets contributed to Council by developers in the form of water, wastewater, road works, stormwater and park equipment are recognised as revenue when it is probable that the assets will be received by Council. Generally this is when the development becomes 'on-maintenance', i.e. Council becomes responsible for the maintenance of the asset. The revenue is recognised when there is sufficient data in the form of drawings and plans to determine the specifications and value of such assets. At year end, where plans are not yet available, an accrual is recognised based on an average rate per lot. All non-cash contributions are recognised at the fair value of the assets received on the date of acquisition.

Cash contributions

Council receives cash contributions from property developers to construct assets such as roads and footpaths for new property developments in accordance with Council's planning scheme policies. These cash contributions are recognised as income when received or upon unconditional entitlement to the funds, whichever occurs earlier.

Recurrent/capital classification

Grants and contributions are to be classified as operating or capital depending on the purpose for which they were received. Capital revenue includes grants and contributions received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers as well as gains associated with disposal of fixed assets. All other revenue is classified as recurrent.

2(b) Financial assets and financial liabilities

Council recognises a financial asset or financial liability when, and only when, Council becomes a party to the contractual provisions of the instrument.

Council's financial assets and financial liabilities are limited to:

Financial assets

Cash and cash equivalents (Note 2(c) and Note 9)
Trade and other receivables - measured at amortised cost (Note 2(d) and Note 10)
Other financial assets such as investments in other companies

Financial liabilities

Trade and other payables - measured at amortised cost (Note 2(g) and Note 14)
Borrowings - measured at amortised cost (Note 15)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied, except for Goods and Services Tax (GST), refer to Note 2(j). Refer to Note 23 for fair value measurement considerations in relation to financial assets and financial liabilities.

Redland City Council is exposed to various financial risks including credit risk, interest rate risk and liquidity risk. Exposure to financial risks is managed in accordance with Council's approved Enterprise Risk Management Framework and related policies, guidelines and procedures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

2 Significant accounting policies - continued**2(c) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the year end, and deposits held at call with financial institutions.

Council's cash and cash equivalents are subject to a number of internal restrictions that limit amounts available for discretionary or future use. Council accounts for these restrictions internally using a system of reserves as follows:

Constrained works reserve

This reserve includes all contributions of monetary revenue received during the reported and previous periods which are constrained for the purpose of funding specific expenditure. The closing balance reported at the year end represents amounts not yet expended and must be retained until expended in the manner specified by the contributor or relevant legislation.

Special projects reserve

This reserve holds funds identified for various projects and for funding specific expenditure.

Separate charge reserve - environment

This reserve was established to hold funds levied for the Environment Separate Charge for ongoing maintenance and future capital expenditure for conservation maintenance and environmental land acquisitions.

Special charge reserve - other

This reserve was established to hold funds collected for the Rural Fire Brigade Levy Special Charge and these funds are distributed to the respective Rural Fire Service Southern Moreton Bay Islands Local Area Finance Committee. This reserve also holds funds levied for Southern Moreton Bay Islands Translink Special Charge and these funds are distributed to the State Government to assist with transport service on the bay islands.

Special charge reserve - canals

This reserve was established to hold funds levied for the Canal Special Charges and the Sovereign Waters Lake Special Charge for ongoing and future maintenance.

2(d) Trade and other receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase price/contract price, at trade date. Settlement of these amounts is generally within 30 days from the invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment.

All known bad debts were written-off or provided for at 30 June 2018.

Council is empowered under the provisions of the *Local Government Regulation 2012* to sell an owner's property to recover outstanding rate debts, therefore Council generally does not impair rate receivables.

2(e) Fixed and intangible assets

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

All non-current asset thresholds were prospectively raised to \$5,000 from 1 February 2018 except land and buildings, as noted below. As existing assets below the thresholds were collectively immaterial, they will continue to be depreciated until their end of life.

	Prior to 1 February 2018	From 1 February 2018
Land	\$1	\$1
Buildings	\$1	\$1
Plant & equipment (vehicles; plant)	\$500	\$5,000
Plant & equipment (office equipment; furniture)	\$200	\$5,000
Plant & equipment (computer hardware)	\$1,000	\$5,000
Plant & equipment (heritage & arts; library books)	\$1	\$5,000
Roads	\$5,000	\$5,000
Stormwater drainage	\$5,000	\$5,000
Water & wastewater	\$5,000	\$5,000
Parks	\$500	\$5,000
Other infrastructure	\$5,000	\$5,000
Waste	\$1,000	\$5,000
Intangibles	\$1,000	\$5,000

2 Significant accounting policies - continued**2(e) Fixed and intangible assets - continued**Acquisition and/or construction of assets

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

Assets received in the form of contributions are recognised as assets and revenue at fair value (by Council valuation) where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

All asset categories are measured under the revaluation model, at fair value, except for waste, parks, plant and equipment and work in progress which are measured under the cost model. Due to the immaterial value of parks and waste assets the valuation model was changed from revaluation to cost for the year ended 30 June 2018. It was assessed that fair value equals cost due to the immaterial nature and complexity of estimating original cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. The valuation methodology maximises observable inputs where available. This is achieved by comprehensively revaluing these assets at least once every five years by engaging either independent external valuers or suitably qualified internal staff. In interim years, valuations are performed with reference to a suitable index.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Details of valuers and methods of valuations are disclosed in Note 23.

Depreciation and amortisation

Land, earthworks, artwork and heritage assets are not depreciated as they have an unlimited useful life. Depreciation on other fixed assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to Council. Management believes that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

Depreciation methods and estimated useful lives of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted, where necessary, to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. Details of the range of estimated useful lives for each class of asset are shown in Note 13.

Software has a finite life between 3 and 10 years. Straight line amortisation is used with no residual value.

Land under roads

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the State pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

2(f) Leases

All Council leases are of an operating nature where substantially all the risks and benefits remain with the lessor. Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

2 Significant accounting policies - continued

2(g) Trade and other payables

Trade and other payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase or contract price. Amounts owing are unsecured and are generally settled on 30 day terms.

2(h) Employee benefits obligations

Liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are measured as a long-term benefit. The liabilities represent the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to projected future increases in the current pay rates including oncosts, the probability of the employee remaining in Council's employment or other associated employment as well as the timing of leave payouts. The payments are discounted using market yields of Commonwealth Government bonds at the end of the reporting period with terms and currencies that match, as closely as possible, the estimated future cash outflows.

Where Council does not have an unconditional right to defer this liability beyond 12 months, i.e. the employee has become entitled to annual leave or long service leave, the liability is presented as a current liability.

The liability for long service leave is reported in Note 16 as a provision and re-measurements as a result of changes in assumptions are recognised in profit or loss. The liability for annual leave is reported in Note 14 as a payable.

2(i) Rehabilitation provisions

A provision is made for the cost of restoration in respect of landfills and represents the present value of the anticipated future costs associated with the closure of the landfill, decontamination and monitoring of historical residues and leaching on these sites.

A provision is also made for the cost of restoration of the German Church Road quarry and represents the present value of the anticipated future costs associated with the closure of the quarry and the rehabilitation of this site.

The calculation of these provisions requires assumptions such as application of environmental legislation, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Due to the long-term nature of the liabilities, the most significant uncertainty in estimating the provision is the cost that will be incurred. The provisions recognised for landfill and quarry sites are reviewed at least annually and updated based on the facts and circumstances available at the time.

2(j) Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively. Council pays Payroll Tax to the Queensland Government on certain activities.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO, are classified as operating cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

3 Statement of functions and activities**3(a) Functions of the consolidated entity**

Council's functions and activities have been determined based on service delivery. During the year ended 30 June 2018, functions were moved from the Department of the Chief Executive Officer to Organisational Services and minor structure changes made within the Infrastructure and Operations Department. These adjustments resulted in changes to the summary of income, expenses and assets by function and therefore the year ended 30 June 2017 (prior year) has been restated (refer Note 3(b)). As at 30 June 2018, the activities of Council are categorised into the following broad functions:

Community and Customer Services

Community and Customer Services provides operational support and manages the city's community services through the following functions:

Community and Cultural Services

- Community and Cultural Services supports the health and wellbeing of our community, promotes strong community spirit and extends to people of all ages, cultures, abilities and needs.

Planning, Development and Environment

- City Planning and Assessment delivers strategic planning, development assessment, and the management of infrastructure charging and planning.
- Economic Sustainability and Major Projects supports Council's commitment to increasing the city's economic capacity through business growth and retention, employment generation and sustained economic growth as articulated in the Economic Development Framework 2014-2041.
- Environment and Regulation is focused on the protection, management, promotion and enhancement of biodiversity.

Infrastructure and Operations**Infrastructure, Recreation and Facilities Services**

- This function is responsible for the sustainable management, maintenance and operation of Council's infrastructure assets. It includes the identification, planning and delivery of infrastructure to support the community by way of roads, parks and conservation, community halls and swimming pools; and ensures a high standard of infrastructure in the Redlands.

Water and Wastewater Services

- Council's Water and Wastewater Services business unit is a commercially focussed business unit with the principal goals of providing safe drinking water and the collection, treatment and disposal of wastewater.

Waste Services

- The Waste function is responsible for the collection and disposal of waste within the city through its kerbside collection service, household hazardous waste services, disposals at landfills and the operation and maintenance of its transfer stations. It also includes maintenance of closed landfill and environmental monitoring of current and former waste disposal facilities.

Organisational Services

Organisational Services provides an internal support function to Council from a compliance and provision of service perspective.

- General Counsel manages all legal matters, risk, procurement, warehousing and Redland WorkCover, advising on all legal aspects of Council's operations, and providing procurement advice including conducting tender and quotation processes. Redland WorkCover is Council's licensed workers' compensation self-insurer providing management of claims and working with employees with respect to rehabilitation.
- Corporate Governance manages a diverse range of organisational functions such as Strategy and Governance, Indigenous Partnerships, Office of the Mayor and Councillors, Disaster Management and Internal Audit.
- Communication, Engagement and Tourism is responsible for a broad range of communication, community engagement, events, graphic design, web management, social media services and tourism development for Council.
- Corporate Services manages Information Management and Fleet Management to enable productivity through technology solutions, and enhancing efficiency and effectiveness across the organisation.
- Financial Services is responsible for rating and water billing, collections, payment of suppliers, corporate financial and asset reporting, tax and treasury, budget and forecasting, business partnering and customer services. The group provides accurate, timely and appropriate information to support sound decision making and meet statutory requirements.
- Corporate Strategy and Performance leads and enables a whole of Council approach to portfolio management, strategic planning, transformation and strategic asset management to support decision making in delivering the agreed level of services, a sustainable financial position, legislative compliance and acceptable risk exposure.

Department of the Chief Executive Officer (CEO)

Office of the CEO and Human Resources provide support to all of Council, creating a safe, rewarding, equitable and productive workplace.

Redland Investment Corporation Pty Ltd

RIC's business objective is to investigate alternative revenue streams and investment opportunities for the Redlands community. The Corporation also manages some of Council's underutilised assets with an objective to improve their use or value. RIC also has a Service Level Agreement with Council to act as the preferred commercial consultants for the Redlands Priority Development Areas.

REDLAND CITY COUNCIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2018

3 Statement of functions and activities - continued

3(b) Analysis of results by function

Income, expenses and assets defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2018

Functions	Gross income				Total Income	Gross expenses		Total Expenses	Net result from recurrent operations	Net Result	Total Assets	
	Recurrent		Capital									
	Grants	Other	Grants	Other								
	\$000	\$000	\$000	\$000								
Community and Cultural Services	207	648	659	-	1,514	\$000	(18,854)	(2)	(18,856)	(17,999)	\$000	\$000
Planning, Development and Environment	1,592	9,686	132	11,036	22,446		(29,344)	5	(29,339)	(18,066)	(6,893)	15,392
Infrastructure, Recreation and Facilities Services	2,876	17,924	1,525	12,717	35,042		(98,806)	(1,809)	(100,615)	(78,006)	(65,573)	1,435,959
Water and Wastewater Services	-	105,143	584	8,407	114,134		(80,344)	(393)	(80,737)	24,799	33,397	831,945
Waste Services	-	23,412	-	-	23,412		(20,036)	-	(20,036)	3,376	3,376	17,373
Organisational Services	5,705	97,246	-	84	103,035		(26,057)	-	(26,057)	76,894	76,894	440,541
Department of the Chief Executive Officer	41	-	-	-	41		(6,030)	-	(6,030)	(5,989)	(5,989)	29
Total Council	10,421	254,059	2,900	32,244	299,624		(279,471)	(2,199)	(281,670)	(14,991)	17,954	2,749,135
Redland Investment Corporation Pty Ltd (net of eliminations)*	-	7,147	-	(265)	6,882		(8,627)	-	(8,627)	(1,480)	(1,745)	973
Total Consolidated	10,421	261,206	2,900	31,979	306,506		(288,098)	(2,199)	(290,297)	(16,471)	16,209	2,750,108

Year ended 30 June 2017 (functions realigned for comparability)

Functions	Gross income				Total Income	Gross expenses		Total Expenses	Net result from recurrent operations	Net Result	Total Assets
	Recurrent		Capital								
	Grants	Other	Grants	Other							
	\$000	\$000	\$000	\$000							
Community and Cultural Services	192	727	649	-	1,568	\$000	\$000	\$000	\$000	\$000	\$000
Planning, Development and Environment	1,682	9,610	33	14,063	25,388		(18,308)	(1)	(18,309)	(17,389)	15,621
Infrastructure, Recreation and Facilities Services	6,142	15,891	2,296	24,733	49,062		(27,885)	8	(27,877)	(16,593)	7,123
Water and Wastewater Services	-	103,296	3,088	13,253	119,637		(93,139)	(3,256)	(96,395)	(71,106)	1,452,727
Waste Services	-	22,207	-	-	22,207		(17,650)	-	(17,650)	31,379	835,773
Organisational Services	7,927	89,831	-	394	98,152		(33,684)	(46)	(33,730)	4,557	17,054
Department of the Chief Executive Officer	-	-	-	-	-		(6,784)	(1)	(6,785)	64,074	436,456
Total Council	15,943	241,562	6,066	52,443	316,014		(269,367)	(7,943)	(277,310)	(11,862)	2,764,806
Redland Investment Corporation Pty Ltd (net of eliminations)*	-	2,372	-	-	2,372		(1,546)	-	(1,546)	826	1,234
Total Consolidated	15,943	243,934	6,066	52,443	318,386		(270,913)	(7,943)	(278,856)	(11,036)	2,766,040

* Please refer to the separate financial statements of Redland Investment Corporation Pty Ltd (RIC) for its financial performance and position prior to eliminations, accessible from Council's website: www.redland.qld.gov.au. Of note, the value of Council's investment in its wholly owned subsidiary, RIC, at reporting date was \$14,791,281 (2017: \$14,712,099).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

	Consolidated		Council	
Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000
4 Revenue analysis				
4(a) Rates, levies and charges				
General rates	92,516	86,789	92,516	86,789
Special and other charges	4,415	3,616	4,415	3,616
Environment and landfill remediation charges	10,573	8,983	10,573	8,983
Water access	18,425	18,218	18,425	18,218
Water consumption	40,903	39,184	40,903	39,184
Wastewater	41,940	41,183	41,940	41,183
Trade waste	1,699	1,823	1,699	1,823
Waste collection charges	21,775	20,809	21,775	20,809
Total rates and utility charges	232,246	220,605	232,246	220,605
Less: Pensioner remissions and rebates	(3,286)	(3,297)	(3,286)	(3,297)
	228,960	217,308	228,960	217,308
4(b) Fees				
Fines and penalties	717	700	717	700
Mooring and parking fees	578	697	578	697
Search fees	723	810	723	810
Development and related application fees	4,931	5,247	4,931	5,247
License fees	2,337	2,187	2,337	2,187
Commercial collection fees	310	236	310	236
Operational works application fees	837	619	837	619
Other fees and charges	2,676	2,682	2,458	2,518
	13,109	13,178	12,891	13,014
4(c) Interest received				
Interest received from investments	3,653	3,942	3,627	3,902
Interest from overdue rates and utility charges	805	566	805	566
Interest from loan to subsidiary	-	-	68	-
Other interest income	2	2	2	2
	4,460	4,510	4,502	4,470
4(d) Dividend income				
Dividend income	-	-	2,000	-
Council recognised a dividend of \$500,000 from RIC on declaration date, 29 September 2017, payable on 1 November 2017. RIC paid the dividend to Council on 2 November 2017. Council recognised a dividend of \$1,500,000 from RIC on declaration date, 27 June 2018, payable on or before 31 December 2018.				
4(e) Sales revenue				
Sales revenue includes the sale of three units of AVA Terraces, 9-11 Oaklands Street, Alexandra Hills, and sales proceeds of 110-112 Queen Street, Cleveland.				
5 Grants, subsidies and contributions				
5(a) Recurrent				
Financial assistance grant	5,429	7,781	5,429	7,781
Government grants and subsidies	4,991	8,161	4,991	8,161
Contributions	426	827	426	827
	10,846	16,769	10,846	16,769
5(b) Capital				
Government grants and subsidies	2,900	6,065	2,900	6,065
Contributions	18,039	24,631	18,304	24,631
	20,939	30,696	21,204	30,696
Non-cash contributions	13	13,940	27,776	13,940
Conditions over contributions				
Contributions and non-reciprocal grants recognised as income which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:				
Unexpended grants and contributions held in reserve 1 July	76,792	63,580	76,792	63,580
Prior period grants and contributions spent in year	(9,195)	(13,269)	(9,195)	(13,269)
Grants and contributions recognised as revenue in year	32,050	47,465	32,050	47,465
Current period grants and contributions spent in year	(13,554)	(20,984)	(13,554)	(20,984)
Unexpended grants and contributions held in reserve 30 June	86,093	76,792	86,093	76,792

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

	Consolidated		Council	
Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000
6 Employee benefits				
Total staff wages and salaries	68,059	66,310	67,146	65,546
Councillors' remuneration	1,422	1,419	1,422	1,419
Annual leave and long service leave entitlements	8,186	7,708	8,101	7,608
Superannuation	8,188	8,034	8,092	7,943
	85,855	83,471	84,761	82,516
Other employee related expenses	6,141	6,688	5,982	6,656
	91,996	90,159	90,743	89,172
Less: Capitalised employee expenses	(5,845)	(5,336)	(5,845)	(5,336)
	86,151	84,823	84,898	83,836

Councillor remuneration represents salary and superannuation expenses incurred in respect of carrying out their duties.

7 Materials and services

Contractors	34,170	33,431	34,344	33,572
Consultants	2,771	2,728	2,299	2,260
Other Council outsourcing costs	19,072	17,745	19,067	17,572
Purchase of materials	43,135	40,142	43,135	40,142
Office administration costs	8,223	8,127	8,214	8,095
Electricity charges	5,496	5,575	5,496	5,575
Plant operations	4,640	4,791	4,635	4,788
Information technology resources	2,516	2,045	2,511	2,045
General insurance premiums	1,129	1,080	1,129	1,080
Community assistance	1,570	1,572	1,559	1,572
Audit of annual financial statements by Queensland Audit Office	152	143	136	134
Other material and service expenses	10,355	2,564	3,427	2,557
Canal and lake charges refund	138	8,130	138	8,130
Remediation costs for landfill	2,063	(2,417)	2,063	(2,417)
	135,430	125,656	128,153	125,105

8 Depreciation and amortisation

Depreciation of non-current assets	13	61,968	55,451	61,954	55,444
Amortisation of intangible assets		1,140	1,060	1,140	1,060
		63,108	56,511	63,094	56,504

9 Cash and cash equivalents

Cash at bank and on hand	3,931	1,488	978	504
Deposits at call	137,584	155,911	137,584	155,911
Balance as per Consolidated Statement of Cash Flows	141,515	157,399	138,562	156,415

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Restricted funds:

Special projects reserve	3,632	3,079	3,632	3,079
Constrained works reserve	86,092	76,792	86,092	76,792
Separate charge reserve - environment	1,942	2,005	1,942	2,005
Special charge reserve - other	(8)	(7)	(8)	(7)
Special charge reserve - canals*	1,648	7,774	1,648	7,774
	93,306	89,643	93,306	89,643
Unrestricted funds	48,209	67,756	45,256	66,772
Total cash and cash equivalents	141,515	157,399	138,562	156,415

* Council decided to temporarily cease the special charges levied on canal and lake-front homeowners in 2016-2017 for the period 31 March to 30 June 2017 and to refund unspent money quarantined for canal maintenance and repairs since 2011-2012. An expense and corresponding liability was recognised for \$8,268,525 based on the revised estimated refund advised by the independent accountant. The process for issuing refunds has been worked through and Council has issued refunds totalling \$7,839,503 during the year ended 30 June 2018. Council developed a new strategy, which established new reserves to reflect the program for the year ended 30 June 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

Note	Consolidated		Council	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000

9 Cash and cash equivalents - continued

Cash is held with the Australia and New Zealand Banking Group in a normal business cheque account. The bank currently has a short-term credit rating of A-1+ and a long-term credit rating of AA- from Standard & Poor's. Deposits at call are held with Queensland Treasury Corporation which has a short-term credit rating of A-1+ and a long-term credit rating of AA+ from Standard & Poor's.

Cash is held at a floating interest rate. The weighted average interest rate is 2.48% (2017: 2.57%).

Council holds three facilities with the Australia and New Zealand Banking Group to facilitate its operational monetary requirements. Unrestricted access was available at balance date to these facilities and their associated values are:

Commercial Card	\$385,000
Electronic Payaway	\$5,000,000
Varied Facility	\$5,050,000

10 Trade and other receivables

Rates and utility charges	24,944	21,990	24,944	21,990
Trade and other debtors	9,277	3,626	14,865	3,202
GST recoverable	1,521	2,786	1,521	2,786
Less: Allowance for impairment	(586)	(705)	(586)	(705)
	<u>35,156</u>	<u>27,697</u>	<u>40,744</u>	<u>27,273</u>

Interest is charged on outstanding rates and charges applied to the land at a fixed rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other receivables. Credit risk is measured and managed using an ageing analysis. Trade and other debtors include a prior period adjustment of \$3,766,625. Refer to Note 24.

Trade and other receivables ageing analysis:

Fully performing	23,007	19,584	28,595	19,160
Past due but not impaired:				
31 - 60 days	3,894	43	3,894	43
61 - 90 days	1,246	3,134	1,246	3,134
> 90 days	7,009	4,936	7,009	4,936
	<u>35,156</u>	<u>27,697</u>	<u>40,744</u>	<u>27,273</u>

11 Inventories

Inventories held for distribution - measured at cost	1,103	552	1,103	552
Land held for development and resale:				
Opening balance at 1 July	8,560	8,619	-	-
Acquisition and related costs	3,540	537	-	-
Transfer to cost of goods sold	(5,930)	-	-	-
Transfer (to)/from other non-current asset class	11,113	141	-	-
Disposals	-	(737)	-	-
Closing balance at 30 June	<u>17,283</u>	<u>8,560</u>	<u>-</u>	<u>-</u>
	<u>18,386</u>	<u>9,112</u>	<u>1,103</u>	<u>552</u>

Inventories are valued at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average cost.

Net realisable value is determined on the basis of the market value or list price of similar assets available for sale, less the estimated selling expenses.

For the year ended 30 June 2018, Council resolved to transfer properties to RIC at book value of \$11,112,507. These properties were reflected in Council's financial statements as non-current assets held-for-sale. For purposes of the consolidated financial statements, these properties are disclosed as part of inventories to reflect the change in intention of the group.

12 Investment property

Opening balance at 1 July	7,149	1,054	1,091	1,054
Acquisition of investment property	4,524	4,792	-	-
Revaluation adjustment	1,740	1,303	-	37
Closing balance at 30 June	<u>13,413</u>	<u>7,149</u>	<u>1,091</u>	<u>1,091</u>

REDLAND CITY COUNCIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2018

13(a) Property, plant and equipment

Asset class	Note	Land Fair value	Buildings Fair value	Plant and equipment Cost	Roads Fair value	Stormwater drainage Fair value	Water and wastewater Fair value	Parks Cost	Other infrastructure Fair value	Waste Cost	Work in progress Cost	Total
Basis of measurement		n/a	10-75	3-10	10-100	20-150	10-134	18-60	15-100	5-70	n/a	
Range of estimated useful life in years												

Council - 30 June 2018												
Asset values		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening gross value as at 1 July 2017		241,789	142,893	43,037	872,438	590,560	1,309,127	91,734	288,949	14,275	20,634	3,615,436
Adjustment to opening balance	24	-	-	-	-	(3,793)	(2,310)	-	-	-	-	(6,103)
Assets not previously recognised or disposed		-	-	262	32	24	34	(111)	(50)	-	-	191
Work in progress expenditure		-	-	-	-	-	-	-	-	-	-	-
Transfers from work in progress		-	-	-	-	-	-	-	-	-	-	-
Additions		5,941	773	7,809	24,949	605	11,483	8,787	4,587	2,058	88,964	68,964
Contributed assets at fair value	5(b)	-	-	84	5,837	3,539	4,418	62	-	-	-	(66,984)
Disposals		-	(25)	(2,860)	(3,473)	(64)	(924)	(2,882)	(314)	(290)	-	13,940
Revaluation adjustments		9,998	(10,813)	-	(27,187)	(3,235)	9,297	-	-	-	-	(10,832)
Transfers between asset classes		-	43	-	(171)	820	191	(766)	(58)	(59)	-	(21,940)
Assets held for sale / transfer		(11,051)	-	(36)	-	-	-	(211)	-	-	-	-
Assets transferred to investments		(80)	-	-	-	-	-	-	-	-	-	(11,298)
Closing gross value at 30 June 2018		246,597	132,871	48,296	872,425	588,466	1,331,316	96,613	293,114	15,984	22,614	3,648,286

Accumulated depreciation												
Opening balance as at 1 July 2017		-	50,526	20,923	248,652	147,065	501,412	43,276	41,740	2,425	-	1,056,019
Depreciation on opening balance adjustments	24	-	-	-	-	-	937	-	-	-	-	937
Depreciation adjustments		-	-	139	45	6	(1,745)	(60)	(49)	-	-	(1,664)
Depreciation for the year	8	-	4,379	5,212	16,884	6,218	23,073	3,888	2,156	144	-	61,954
Depreciation on disposals		-	(13)	(2,030)	(2,527)	(18)	(531)	(2,092)	(301)	(290)	-	(7,802)
Depreciation on revaluation adjustments		-	(2,556)	-	(5,000)	3,550	4,222	-	1,174	-	-	1,390
Depreciation on transfers between asset classes		-	-	-	52	-	-	(52)	-	-	-	-
Depreciation on assets held for sale / transfer		-	-	(1)	-	-	-	(185)	-	-	-	(186)
Accumulated depreciation at 30 June 2018		-	52,336	24,243	258,106	156,821	527,368	44,775	44,720	2,279	-	1,110,648

Council book value as at 30 June 2018	246,597	80,535	24,053	614,319	431,635	803,948	51,838	248,394	13,705	22,614	2,537,638
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Consolidated book value as at 30 June 2018	246,585	80,535	24,093	614,319	431,635	803,948	51,838	248,404	13,705	22,483	2,537,545
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RIC held no material property, plant and equipment as at 30 June 2018. As such, the consolidated results are presented in aggregate.

Land with a carrying value of \$13,978,056 has restricted use as a result of a development management agreement entered into with the Walker Group for development of the Toondah Harbour Priority Development Area (refer Note 18).

REDLAND CITY COUNCIL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2018

13(b) Property, plant and equipment - prior year comparative

Asset class	Note	Land	Buildings	Plant and equipment	Roads	Stormwater drainage	Water and wastewater	Parks	Other infrastructure	Waste	Work in progress	Total
Basis of measurement		Fair value	Fair value	Cost	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	
Range of estimated useful life in years		n/a	10-75	3-10	10-100	20-150	10-134	16-60	15-100	5-70	n/a	

Council - 30 June 2017												
Asset values		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening gross value as at 1 July 2016		228,544	137,133	45,717	830,719	585,068	1,156,584	84,578	291,493	13,465	32,402	3,405,703
Assets not previously recognised or disposed		-	298	156	(83)	146	(111)	262	(894)	45	-	(181)
Work in progress expenditure		-	-	-	-	-	-	-	-	-	67,908	67,908
Transfers from work in progress		-	-	-	-	-	-	-	-	-	(79,676)	(79,676)
Additions		10,077	1,546	5,028	22,615	1,443	28,452	7,563	2,459	772	-	79,955
Contributed assets at fair value	5(b)	317	50	78	7,043	12,991	7,038	259	-	-	-	27,776
Disposals		(2)	(613)	(7,297)	(6,368)	(195)	(16,926)	(1,867)	-	-	-	(33,068)
Revaluation adjustments		7,787	4,040	-	10,534	(9,148)	133,924	-	5,592	-	-	152,729
Transfers between asset classes		-	439	246	7,978	255	166	737	(9,701)	(7)	-	113
Assets held for sale / transfer		286	-	-	-	-	-	2	-	-	-	(603)
Assets transferred to investments		(5,220)	-	-	-	-	-	-	-	-	-	(5,220)
Closing gross value at 30 June 2017		241,789	142,893	43,037	872,438	590,560	1,309,127	91,734	288,949	14,275	20,634	3,615,436
Accumulated depreciation												
Opening balance as at 1 July 2016		-	45,988	23,599	228,956	143,527	452,430	40,299	43,378	2,610	-	980,787
Depreciation adjustments		-	229	111	(101)	17	(5)	101	(175)	(334)	-	(157)
Depreciation for the year	8	-	4,273	4,598	15,900	6,148	18,470	3,737	2,169	149	-	55,444
Depreciation on disposals		-	(482)	(6,755)	(3,936)	(33)	(12,279)	(1,128)	-	-	-	(24,613)
Depreciation on revaluation adjustments		-	380	-	4,010	(2,606)	42,641	-	815	-	-	45,240
Depreciation on transfers between asset classes		-	138	68	3,823	12	155	265	(4,447)	-	-	14
Depreciation on assets held for sale / transfer		-	-	(698)	-	-	-	2	-	-	-	(696)
Accumulated depreciation at 30 June 2017		-	50,526	20,923	248,652	147,065	501,412	43,276	41,740	2,425	-	1,056,019
Council book value as at 30 June 2017		241,789	92,367	22,114	623,786	443,495	807,715	48,458	247,209	11,850	20,634	2,559,417
Consolidated book value as at 30 June 2017		241,789	92,367	22,153	623,786	443,495	807,715	48,458	247,209	11,850	20,515	2,559,337

RIC held no material property, plant and equipment as at 30 June 2017. As such, the consolidated results are presented in aggregate.

Land with a carrying value of \$13,312,434 has restricted use as a result of a development management agreement entered into with the Walker Group for development of the Toondah Harbour Priority Development Area (refer Note 18).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

	Consolidated		Council	
Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000
14 Trade and other payables				
Creditors and accruals	23,379	32,306	23,293	32,527
Annual leave	7,186	6,694	7,094	6,617
	<u>30,565</u>	<u>39,000</u>	<u>30,387</u>	<u>39,144</u>

Creditors and accruals are expected to be settled within 12 months. Of the consolidated annual leave balance, \$5,046,713 (2017: \$5,025,126) is expected to be settled within 12 months from balance date and \$2,138,895 (2017: \$1,669,440) is expected to be settled after 12 months.

15 Borrowings**15(a) Current**

Loans - Queensland Treasury Corporation (QTC)	7,728	7,713	7,728	7,713
	<u>7,728</u>	<u>7,713</u>	<u>7,728</u>	<u>7,713</u>

15(b) Non-current

Loans - Queensland Treasury Corporation (QTC)	32,451	37,486	32,451	37,486
	<u>32,451</u>	<u>37,486</u>	<u>32,451</u>	<u>37,486</u>

Movement in loans:

Opening balance at 1 July	45,199	49,857	45,199	49,857
Loan repayment - principal*	(4,657)	(6,778)	(4,657)	(6,778)
Loan repayment - interest	(3,187)	(1,066)	(3,187)	(1,066)
Accrued interest expense	2,824	3,186	2,824	3,186
Closing balance at 30 June	<u>40,179</u>	<u>45,199</u>	<u>40,179</u>	<u>45,199</u>

* Council's borrowing capacity is constrained by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*. All Council borrowings are sourced from QTC.

The market value of QTC loans at the reporting date was \$44,815,543 (2017: \$51,470,349). This represents the debt value at the current market interest rate if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts. No assets have been pledged as security by Council for any liabilities, however all loans are ultimately guaranteed by the Queensland Government. Expected final repayment dates vary from 15 July 2021 to 15 July 2026. There have been no defaults or breaches of the loan agreement during the year.

Borrowings are in AUD denominated amounts and carried at amortised cost. Interest is expensed as it is incurred. The weighted average borrowing rate is 7.51% (2017: 7.55%). Borrowings are on a fixed rate. No borrowing costs were capitalised on qualifying assets.

Council measures and manages its exposure to liquidity risk through a maturity analysis. The remaining contractual cash flows of financial liabilities at the end of the reporting period were:

Less than 1 year	7,844	7,844	7,844	7,844
1 to 5 years	31,258	31,374	31,258	31,374
Over 5 years	9,222	16,949	9,222	16,949
Total contractual cash flows	<u>48,324</u>	<u>56,167</u>	<u>48,324</u>	<u>56,167</u>
Carrying amount	40,179	45,199	40,179	45,199

16 Provisions**16(a) Current**

Landfill rehabilitation	2,792	2,137	2,792	2,137
Workers compensation	543	603	543	603
Long service leave	10,232	9,700	10,221	9,689
	<u>13,567</u>	<u>12,440</u>	<u>13,556</u>	<u>12,429</u>

16(b) Non-current

Quarry rehabilitation	334	339	334	339
Landfill rehabilitation	10,209	8,984	10,209	8,984
Workers compensation	683	967	683	967
Long service leave	1,713	1,840	1,679	1,818
	<u>12,939</u>	<u>12,130</u>	<u>12,905</u>	<u>12,108</u>

16(c) Long service leave

Current long service leave (expected settlement within 12 months)	1,236	1,105	1,235	1,104
Current long service leave (expected settlement after 12 months)	8,996	8,595	8,986	8,585
Non-current long service leave*	1,713	1,840	1,679	1,818
Total long service leave	<u>11,945</u>	<u>11,540</u>	<u>11,900</u>	<u>11,507</u>

* The non-current portion relates to employees who have not yet reached the required years of service to be entitled to take long service leave.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

	Consolidated		Council	
Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000
16 Provisions - continued				
Movements in provisions:				
<u>Quarry rehabilitation</u>				
Opening balance at 1 July	339	-	339	-
Increase/(decrease) in provision	(5)	339	(5)	339
Closing balance at 30 June	334	339	334	339
This is the estimated present value cost of restoring the quarry site to as near its original condition as possible at the end of its useful life.				
<u>Landfill rehabilitation</u>				
Opening balance at 1 July	11,121	13,731	11,121	13,731
Increase/(decrease) in provision due to change in discount rate and costs	3,481	(922)	3,481	(922)
Provision utilised during the period	(1,858)	(1,896)	(1,858)	(1,896)
Increase in provision due to passage of time - borrowing costs	257	208	257	208
Closing balance at 30 June	13,001	11,121	13,001	11,121
This is the estimated present value cost of restoring closed landfill sites across the city and is based on Council's 10 year expenditure program. The program is funded by a separate charge.				
<u>Workers compensation</u>				
Opening balance at 1 July	1,570	906	1,570	906
Adjustment for period	(344)	664	(344)	664
Closing balance at 30 June	1,226	1,570	1,226	1,570
<u>Long service leave</u>				
Opening balance at 1 July	11,540	11,121	11,507	11,095
Long service leave entitlement raised	1,781	1,720	1,769	1,701
Long service entitlement used/extinguished	(917)	(693)	(917)	(681)
Long service entitlement paid	(459)	(608)	(459)	(608)
Closing balance at 30 June	11,945	11,540	11,900	11,507
17 Asset revaluation surplus				
The closing balance of the asset revaluation surplus comprises the following asset categories. Increases and decreases on revaluation are offset within the same asset categories. Parks and waste asset revaluation reserve balances were transferred to retained earnings as these assets were valued at cost from 1 July 2017.				
Land	81,410	71,412	81,410	71,412
Buildings	53,759	62,016	53,759	62,016
Roads	269,740	291,927	269,740	291,927
Stormwater drainage	218,116	224,901	218,116	224,901
Water and wastewater	170,180	165,105	170,180	165,105
Parks	-	43,190	-	43,190
Other infrastructure	209,963	211,137	209,963	211,137
Waste	-	1,151	-	1,151
	1,003,168	1,070,839	1,003,168	1,070,839
18 Commitments				
Operating leases				
Future minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within 1 year	1,262	1,178	1,262	1,178
1 to 5 years	5,156	4,882	5,156	4,882
Greater than 5 years	5,186	6,151	5,186	6,151
	11,604	12,211	11,604	12,211
Operating contractual commitments				
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:				
Roadworks	1,844	1,365	1,844	1,365
Water and wastewater	1,704	1,352	1,704	1,352
Waste	152,385	17,531	152,385	17,531
Other	14,959	13,821	14,959	13,821
	170,892	34,069	170,892	34,069
These expenditures are payable:				
Within 1 year	37,937	26,438	37,937	26,438
1 to 5 years	52,780	7,451	52,780	7,451
Greater than 5 years	80,175	180	80,175	180
	170,892	34,069	170,892	34,069
Capital contractual commitments				
Commitments for the construction of the following assets contracted for at year end but not recognised as liabilities are as follows and are payable within 1 year:				
Roadworks	111	45	111	45
Water and wastewater	848	3,408	848	3,408
Waste	13	88	13	88
Other	16,001	7,841	16,001	7,841
	16,973	11,382	16,973	11,382

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

18 Commitments - continued

Council has entered into a new 12 year contract for the collection of waste, recyclables and green waste upon the expiry of the previous contract.

Redland City Council has conditionally entered into a Development Agreement (DA) with the Minister of Economic Development Queensland (MEDQ) and Walker Group (Walker) to develop certain land owned by Council and the State as part of the Toondah Harbour project. The DA was executed in February 2016 and is currently conditional on meeting of a number of requirements. In accordance with the DA, Council land to be developed by Walker as part of this project, which is included in property, plant and equipment and has a carrying value of \$13,978,056 (2017: \$13,312,434), will be leased/licenced to Walker during the development period and is restricted in its use to this purpose only. A portion of the land will be developed and sold to third parties. The remaining land, together with community infrastructure assets, will be transferred (where not already owned) to Council.

19 Contingent liabilities and contingent assets**Contingent liabilities:**

Details and estimates of contingent liabilities as at 30 June 2018 are as follows:

WorkCover self-insurer liability

The estimated claims liability for Council as a self-insurer under the *Workers' Compensation and Rehabilitation Act 2003* ('the Act') as at 30 June 2018 is \$1,172,000 (2017: \$1,396,000) where estimated claims liability is defined in Section 84 of the Act. The Actuary has recommended that a provision be recognised for \$1,225,000 (2017: \$1,570,000) for the total estimated claims liability. Council has in place a bank guarantee with the ANZ Banking Group Ltd for \$5,000,000 (2017: \$5,000,000).

Other claims

The Quandamooka-Redland City Council Indigenous Land Use Agreement (ILUA) sets out broad principles and mechanisms for how parties will work together and meet their respective responsibilities for mutual benefits in accordance with the *Native Title Act 1993*. The ILUA establishes native title validation and consultation for Council's projects and a framework for other policies, programmes and initiatives for the mutual benefit of parties and local community.

Based on advice from Council's solicitors, there are a number of claims and legal proceedings that may result in financial settlement being made by Council to resolve the litigation. The total of these contingent liabilities, liability for which is not admitted, is estimated at \$820,000 (2017: \$330,000).

Landfill remediation

Council has historically recognised, and continues to recognise, a provision for the remediation of former landfill sites throughout the city to ensure compliance with legal obligations. The legal obligation is broad and covered in a range of legislation such as the *Environmental Protection Act 1994*, *Petroleum and Gas (Production and Safety) Act 2004*, *Planning Act 2016* and *Work Health and Safety Act 2011*, plus subordinate legislation (such as various regulations and codes of practice) and other industry guidelines.

Council is taking a risk-based approach to justify and prioritise expenditure for managing these landfills with aftercare management plans under development for each site. Risks will continue to be reviewed and updated in line with relevant information from site inspections, detailed investigations, environmental monitoring results, asset owner feedback, site master plans and other service standards. Costs may change over time and at least annually, this program will be reviewed to reflect the dynamic circumstances against Council prudence and efficiency measures.

Contingent assets:

Council has no contingent assets at the date of this report.

20 Superannuation

Redland City Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a multi-employer plan as defined in the Australian Accounting Standard AASB 119 *Employee Benefits*.

The Local Government Investment Australia Super (LGIA Super), the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements, referred to as:

- Accumulation Benefits Fund (ABF);
- City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund; and
- Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments.

The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in, the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

Council does not have any employees who are members of the CDBF and, therefore is not exposed to the obligations, assets or costs associated with this fund.

The Regional DBF is a defined benefit plan as defined in AASB 119. Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB 119 because the scheme is unable to account to Council for its proportionate share of the defined benefit obligation, plan assets and costs. The funding policy adopted in respect of the Regional DBF is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded as they fall due.

To ensure the ongoing solvency of the Regional DBF, the scheme's trustee can vary the rate of contributions from relevant local government employers subject to advice from the scheme's actuary. As at the reporting date, no changes had been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

Note	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000

20 Superannuation - continued

Any amount by which the fund is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

As at the reporting date, the assets of the scheme are sufficient to meet the vested benefits. The most recent actuarial assessment of the scheme was undertaken as at 1 July 2015. The actuary indicated that "At the valuation date of 1 July 2015, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date".

In the 2015 actuarial report, the actuary has recommended no change to the employer contribution levels at this time. Under the *Local Government Act 2009*, the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.

There are currently 63 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 63 entities. Redland City Council made less than 4% of the total contributions to the plan in the financial year ended 30 June 2018.

The next actuarial valuation will be conducted as at 1 July 2018.

The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of Councillors was:

26	144	142	144	142
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The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of the Executive Leadership Team was:

26	310	271	254	271
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The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of all other employees was:

	7,876	7,766	7,836	7,675
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21 Trust funds

Monies collected or held on behalf of other entities	8,178	7,668	8,182	7,668
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These funds relate to monies yet to be paid out to or on behalf of those entities and Council performs only a custodial role in respect of these monies. Council separately accounts for all trust funds through a dedicated trust ledger and within a separate account whereby balances are excluded from the Consolidated Statement of Financial Position.

22 Reconciliation of net result for the year to net cash flows from operating activities

Net result		16,209	39,530	17,954	38,704
<u>Non-cash items</u>					
Depreciation and amortisation	8	63,108	56,511	63,094	56,504
Prior year errors corrected in-year		98	22	19	22
Net accrued interest		(363)	2,120	(363)	2,120
Non-cash contributions	5(b)	(13,940)	(27,776)	(13,940)	(27,776)
Bad and doubtful debts		(119)	151	(119)	151
Cost of land sold - acquired for nil consideration		6,724	737	-	-
Land acquired in lieu of rates		-	(2)	-	(2)
Fair value adjustment - investment property		(1,740)	(1,303)	-	(37)
		<u>53,768</u>	<u>30,460</u>	<u>48,691</u>	<u>30,982</u>
<u>Investing and development activities</u>					
Net loss on disposal of non-current assets		2,199	7,943	2,199	7,943
Capital grants and contributions	5(b)	(20,939)	(30,696)	(21,204)	(30,696)
		<u>(18,740)</u>	<u>(22,753)</u>	<u>(19,005)</u>	<u>(22,753)</u>
<u>Changes in operating assets and liabilities</u>					
(Increase)/decrease in trade and other receivables		(4,863)	(1,558)	(1,991)	(1,619)
(Increase)/decrease in other current assets and inventories		1,166	(364)	(512)	174
Increase/(decrease) in trade and other payables		(7,258)	15,333	(7,798)	15,829
Increase/(decrease) in provisions		1,923	(1,189)	1,923	(1,196)
Increase/(decrease) in other current liabilities		2,587	(1,693)	2,587	(1,693)
		<u>(6,445)</u>	<u>10,529</u>	<u>(5,791)</u>	<u>11,495</u>
Net cash inflow/(outflow) from operating activities		44,792	57,766	41,849	58,428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

23 Fair value measurements

The carrying amount of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment where relevant. The carrying value of cash and cash equivalents is a reasonable approximation of fair value and therefore separate disclosures of the fair values are not required.

Investments in 100% controlled entities and investments in other entities do not have a quoted market price in an active market and are valued at cost less any impairment. Shares in controlled entities have been eliminated on consolidation.

Redland City Council measures land, buildings, infrastructure assets and investment property at fair value on a recurring basis.

In accordance with AASB 13, fair value measurements are categorised on the following basis:

Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)

Fair value based on inputs that are directly or indirectly observable for the asset or liability (Level 2)

Fair value based on unobservable inputs for the asset and liability (Level 3)

All fair value measurements are recurrent and categorised as either Level 2 or Level 3. Council does not hold any assets valued using Level 1 inputs. Where all significant inputs used to value the asset are observable, the asset is valued at Level 2. However, if one or more of the significant inputs are unobservable, the asset is valued as Level 3.

The following table represents the material asset classes measured and recognised at fair value at 30 June 2018. Parks and Waste assets are now recognised at cost, refer Note 2(e).

2018	Gross value	Written down value	Level 2	Level 3
	\$000	\$000	\$000	\$000
Land	246,597	246,597	27,325	219,272
Buildings	132,871	80,535		80,535
Roads	872,425	614,319		614,319
Stormwater drainage	588,456	431,635		431,635
Water and wastewater	1,331,316	803,948		803,948
Other infrastructure	293,114	248,394		248,394
	3,464,779	2,425,428	27,325	2,398,103

The following table represents the material asset classes measured and recognised at fair value at 30 June 2017.

2017	Gross value	Written down value	Level 2	Level 3
	\$000	\$000	\$000	\$000
Land	241,789	241,789	20,587	221,202
Buildings	142,893	92,367	-	92,367
Roads	872,438	623,786	-	623,786
Stormwater drainage	590,560	443,495	-	443,495
Water and wastewater	1,309,127	807,715	-	807,715
Parks	91,734	48,458	-	48,458
Other infrastructure	288,949	247,209	-	247,209
Waste	14,275	11,850	-	11,850
	3,551,765	2,516,669	20,587	2,496,082

Council's policy is to recognise transfers in and out of the fair value hierarchy levels (if any) at the end of the reporting period and is consistent with the previous year. Details of valuation movements are shown in Note 13. The additional in year movements for land assets held at Level 2 and Level 3 are reflected in the table below.

2018 Land	Level 2	Level 3	Total
	\$000	\$000	\$000
Opening balance 1 July 2017	20,587	221,202	241,789
Additions and contributions	5,783	158	5,941
Disposals	-	-	-
Transfer Level 3 to Level 2	-	-	-
Transfer Level 2 to Level 3	-	-	-
Asset transfers	-	(11,131)	(11,131)
Revaluation	955	9,043	9,998
Closing balance 30 June 2018	27,325	219,272	246,597

2017 Land	Level 2	Level 3	Total
	\$000	\$000	\$000
Opening balance 1 July 2016	11,948	216,596	228,544
Additions and contributions	8,310	2,084	10,394
Disposals	(2)	-	(2)
Transfer Level 3 to Level 2	-	-	-
Transfer Level 2 to Level 3	-	-	-
Asset transfers	-	(4,934)	(4,934)
Revaluation	331	7,456	7,787
Closing balance 30 June 2017	20,587	221,202	241,789

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

23 Fair value measurements - continued**Valuation techniques used to derive fair values**

The specific valuation techniques used to value Council's assets are documented below. Fair value represents the highest and best use of the assets having regard to the optimal financial, physical and legal use of the asset. Residual values have not been applied to any asset category.

Land

All Council freehold land was comprehensively valued as at 30 June 2016 by qualified independent external valuer, AssetVal Pty Ltd (AssetVal).

The valuations were based on publicly available data on sales of similar land in nearby localities applying a direct comparison method. Where an active market exists and there are no unreasonable restrictions as to use and/or sale, the land was deemed to be valued as Level 2.

Where no active market existed, or there were restrictions on the use and/or sale, the land was assessed as Level 3. Land carrying a parkland zone, or land utilised for footpath or access restriction purposes, or due to its general characteristics, land that has no observable active market, has been assessed as Level 3. The most significant input to the determination of fair value is the value per square metre.

Qualified external valuer, AssetVal, was commissioned to undertake an independent indexation analysis at 30 June 2017 and 30 June 2018. Recent land sales trends and other market evidence were considered to derive a suitable indexation rate.

Buildings

All buildings were comprehensively valued as at 30 April 2016 by independently qualified external valuer, Cardno (Qld) Pty Ltd (Cardno). The valuation was applied to the accounts as at 30 June 2016 as no material movement since valuation was identified. Due to the specialist nature of these assets and the absence of an active market, fair value was assessed by using the current replacement cost methodology, however has been informed by property sales data where relevant and available.

Replacement cost was determined with reference to construction costing data contained in Rawlinsons Australia Construction Handbook and databases built from research by external valuer, Cardno. Major buildings have been split into components, and these components were valued separately to reflect differing expectations of condition and useful lives. Assessment of economic and remaining lives was based on historical assessment of similar assets and drawing on experience of the valuer, and this was the basis for determining the depreciated value.

Physical site inspections were carried out by Cardno on a sample of buildings. The purpose was to confirm the existence and assess the condition of the buildings. The condition assessment was used as an indication of how the assets are contributing to the current performance and to determine fair value accordingly. For buildings not assessed as part of the revaluation exercise, Cardno utilised the recent condition assessment data prepared by the FCT Management Group as a basis to derive fair values.

Although some inputs would be considered as Level 2 (replacement cost valuation), significant assumptions were applied in the assessment of condition, expected useful life and remaining life and therefore these assets are considered to be valued as Level 3.

Qualified external valuer, Cardno, was commissioned to undertake an independent indexation analysis at 30 June 2017 and 30 June 2018. Various published indices were used to identify cost trends and the valuation took into consideration the effects of price, technological change, asset types and asset location to derive a suitable indexation rate.

Road infrastructure assets

Road assets were comprehensively valued as at 30 June 2018 by Cardno. As these are specialist public service assets that are rarely independently sold, current replacement cost was determined as the most appropriate valuation method. These assets were considered to have been valued using Level 3 inputs.

Unit rates were determined with reference to recent Council construction data, Cardno developed databases and cost curves, Rawlinsons Australia Construction Handbook, and other published building indices. These rates were applied to the asset specifications including depth, length and width. Unit rates take into consideration material, labour, service and overhead costs (survey 6%, design 5%, engineering supervision 3%, project management 6%). All roads are divided into segments and componentised into earthworks, base, sub-base and surface to reflect different lives to each component.

Useful lives were developed by Cardno with reference to common engineering and industry practice standards and Council's historical evidence. The expected lives of roads assets were determined with reference to material types and construction methods and allowance was made for assets located on the islands.

The remaining useful lives were determined on an aged basis with reference to the total expected life of the asset and as a result the accumulated depreciation was calculated on a straight line basis. The significant unobservable inputs used in the valuation of road infrastructure assets were: expected useful life and remaining life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

23 Fair value measurements - continued**Stormwater drainage infrastructure assets**

Stormwater drainage assets were independently valued as at 30 June 2018 by qualified external valuer, Cardno. As these are specialist public service assets that are rarely independently sold, current replacement cost was determined as the most appropriate valuation method. These assets were considered to have been valued using Level 3 inputs. Unit rates and replacement costs were determined with reference to recent Council construction data, Cardno developed databases and cost curves, Rawlinsons Australia Construction Handbook, and other building indices. These rates were applied to the asset specifications including depth, length and width. Unit rates take into consideration material, labour, service and overhead costs (survey 6%, design 5%, engineering supervision 3%, project management 6%).

Other cost factors considered when developing replacement costs for passive assets were soil and development type, economies of scale and asset depth. These factors together with the expected useful life and remaining life are considered the significant unobservable inputs used in the valuation.

Useful lives were developed by Cardno with reference to common engineering and industry practice standards and Council's historical evidence. Where appropriate the lives of assets located within 50m of the coast or in poor soils were adjusted to reflect a varied life expectancy.

The remaining useful lives were determined on an aged basis with reference to the total expected life of the asset and as a result, the accumulated depreciation was calculated on a straight line basis. Assets are componentised to reflect varying expected lives and consumption patterns.

Water and wastewater infrastructure assets

Water and Wastewater assets were comprehensively valued as at 30 June 2017 by registered valuer, Cardno. Current replacement cost was determined as the most appropriate valuation method as these are specialist public service assets that are rarely independently sold and as such were classified as being valued using Level 3 inputs. Significant components with differing expected useful lives and replacement costs were valued separately.

Replacement costs were based on the replacement of the assets with a modern, engineering equivalent with cost factor adjustments applied to reflect the location and site conditions likely on replacement. The costs have been resourced with reference to researched cost data for recent Redland City Council projects and industry costing data and include 20% oncosts (survey 6%, design 5%, construction supervision 3%, and project management 6%).

Cost factors taken into consideration when determining replacement cost of underground assets were soil and development type. An additional cost factor was applied to all assets located in island locations.

Remaining lives of the assets were determined with consideration to the age and condition where assessed, with reference to useful lives developed by Cardno using common engineering and industry practice standards and assessed against Redland City Council data.

The condition of passive assets was determined with reference to the age of the assets, while the condition of active assets was determined by Cardno through sampled visual inspection against predetermined condition criteria. Condition inspections were conducted on an additional sample of wastewater pump stations during the 2017-18 financial year and these informed the remaining life assessments of these assets.

Condition assessments were assessed against expected useful lives to determine indicative remaining useful lives and determine accumulated depreciation and fair value.

The significant unobservable inputs used in the valuation were soil, development and island factors; asset condition (active assets); and total expected life and remaining life.

Qualified external valuer, Cardno, was commissioned to undertake an independent indexation analysis at 30 June 2018 of those assets not subject to condition assessment. Various published indices were used to identify cost trends and the analysis took into consideration the effects of price, technological change, asset types and asset location to derive a suitable indexation rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

23 Fair value measurements - continued**Other infrastructure assets**

These assets include marine, jetty facilities and seawalls and were comprehensively valued as at 30 April 2015 by independent qualified external valuer, Cardno. The valuation was applied to the accounts as at 30 June 2015 as no material movement since valuation was identified. Current replacement cost was determined as the most appropriate valuation method as these are specialist public service assets that are rarely independently sold.

Replacement cost was determined with reference to Council's historical construction records, Cardno's own database of construction costs and other published cost guides. Transportation and other costs unique to work completed on the islands has been taken into consideration by applying an island factor to these assets.

Remaining lives were assigned based on physical assessment of the condition of the assets as noted by the valuer during inspection including factors such as the age of the asset, overall condition, economic and/or functional obsolescence. The assets were depreciated with reference to expected useful lives determined through application of industry standards, including the Institute of Public Works Engineering Australia (IPWEA), historic assessment of similar assets, and experience gained from similar valuations by Cardno.

Although some inputs would be considered as Level 2 (replacement cost valuation), significant assumptions were applied in the assessment of condition and remaining life and therefore these assets are considered to be valued as Level 3.

The significant unobservable inputs used in the valuation were asset condition, total expected life and remaining life.

Qualified external valuer, Cardno, was commissioned to undertake an independent indexation analysis at 30 June 2017 and 30 June 2018. Various published indices were used to identify cost trends and the valuation took into consideration the effects of price, technological change, asset types and asset location to derive a suitable indexation rate.

24 Prior period adjustments

Adjustments relating to prior periods are reflected in the Consolidated Statement of Changes in Equity, Note 10 - Trade and other receivables and Note 13(a) - Property, plant and equipment. Details of adjustments are provided below:

	Gross value	Accumulated depreciation	Retained earnings Increase / (decrease)
	\$000	\$000	\$000
Sundry Debtors			
Infrastructure charges for the augmentation of water supply headworks.	3,767	-	3,767
Property, plant and equipment			
Water and Wastewater			
Disposal of water assets not owned by Council and identified during data cleansing process.	(2,310)	937	(1,373)
Stormwater drainage			
Reduction in value of stormwater pipes to correct the application of depth factor.	(3,793)	-	(3,793)
Total adjustment to retained earnings	(2,336)	937	(1,399)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

25 National Competition Policy**Business activities to which the Code of Competitive Conduct (CCC) is applied**

A government business activity is one which competes with private businesses and exceeds thresholds under *Local Government Regulation 2012*. In order to remove any advantages or disadvantages, the competitive neutrality principle must be applied.

Council applied the CCC to the following significant business activities during the financial year ended 30 June 2018:

- Redland Water
- RedWaste

Financial performance of activities subject to the CCC:

Business activities - 2018	Significant businesses	
	Redland Water	RedWaste
	\$000	\$000
Revenue for services provided to Council	2,819	742
Revenue for services provided to external clients	105,143	23,412
Community service obligations	378	2,047
Less: Expenditure	101,509	20,844
Operating surplus/(deficit)	6,831	5,357

Description of Community Service Obligations (CSOs):

Activities	CSO description	Actual
		\$000
Redland Water	CSOs	
	Water concession not-for-profit	(92)
	Wastewater concession not-for-profit	(286)
		(378)
RedWaste	CSOs	
	Mainland transfer stations	
	Clean Up Australia Day	(1)
	Birkdale sanitary landfill - gate waiver fees	(45)
	Redland Bay Transfer Station	(5)
	Island transfer stations	
	North Stradbroke Island Transfer Station	(423)
	Russell Island Transfer Station	(578)
	Macleay Island Transfer Station	(484)
	Lamb Island Transfer Station	(142)
	Karragarra Island Transfer Station	(101)
	Coochiemudlo Island Transfer Station	(186)
	Kerbside recycling/waste collection	
	Kerbside recycling collection	(19)
	Kerbside waste collection	(33)
	Kerbside greenwaste collection	(1)
	Bulky item collection for Home Assist Secure clients	(29)
		(2,047)

Anticipated changes to business activities

It is expected that there will be no new business activities to which the CCC will be applied for the financial year ending 30 June 2019. Roads activity continues to not meet the definition to which the CCC will be applied as it does not involve itself in competitive bids.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

26 Transactions with related parties**26(a) Subsidiaries**

The group consists of the parent entity Redland City Council and two first tier subsidiaries, Redland Investment Corporation Pty Ltd & Redheart Pty Ltd. Redland City Council also has three second tier subsidiaries, AVA Terraces Pty Ltd, Cleveland Plaza Pty Ltd and RIC Toondah Pty Ltd (Note 1(b)).

The following transactions occurred between Council and its subsidiaries and related entities for year ended 30 June 2018:

Redland Investment Corporation Pty Ltd (RIC)

Details of transaction	2018	2017
	\$000	\$000
Asset contribution by Council*	79	8,751
Services provided by Council to RIC**	100	157
Recoveries from RIC for the development applications submitted for AVA Terraces Pty Ltd	300	-
Services provided by RIC to Council***	271	583
Dividend received from RIC	500	-
Dividend receivable from RIC	1,500	-
Loan to RIC****	3,500	-
Interest received from RIC	68	-
GST paid by Council and subsequently received from RIC	825	147
GST refunds claimed by Council and subsequently paid to RIC	69	63

* Asset contribution consists of transfer of land at book value by Council resolution. Based on current valuation methodology the book value reflects the fair value of the property. Rates charges on properties transferred to RIC are waived according to Council resolution.

** Recovery of overheads and other costs in the provision of facilities, administration and organisational services, which include renting of office space, legal services, financial services, information management services and fleet services. Costs of these services are based on the Service Level Agreement (SLA).

*** RIC is conducting work in certain priority development areas on Council's behalf. RIC's invoices to Council for the work undertaken are based on the Service Level Agreement (SLA).

**** Refer Note 26(e) below.

RIC Toondah Pty Ltd

RIC Toondah Pty Ltd manages the RIC Toondah joint operation (refer Note 1(b)). Transactions with RIC Toondah include an accrual of \$1,966 (2017: \$11,238) in relation to joint operation costs.

26(b) Transactions with key management personnel (KMP)

Key management personnel include the Mayor, Councillors and Executive Leadership Team. The compensation earned by key management personnel for year ended 30 June 2018 comprises:

Details of transaction	2018	2017
	\$000	\$000
Short-term employee benefits*	3,124	3,251
Post-employment benefits**	398	412
Long-term employee benefits***	185	215
Termination benefits	-	208
Total	3,707	4,086

* Short-term employee benefits include salaries, paid sick leave, allowances and any non-monetary benefits provided such as Council vehicles.

** Post-employment benefits include employer superannuation contributions.

*** Long-term employee benefits include annual leave and long service leave accrued during the year.

Detailed remuneration disclosures are provided in the annual report.

26(c) Transactions with other related parties

Other related parties include the KMP, close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members.

Details of transactions between Council and other related parties are disclosed below:

Details of transaction	2018	2017
	\$000	\$000
Employee expenses for close family members of key management personnel*	211	288

* All close family members of KMP were employed through an arm's length process and are paid in accordance with the Award or Certified Agreement relevant to the job they perform.

Council employs 1,007 (2017: 1,000) staff of which only 3 (2017: 4) are close family members of KMP.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2018

26 Transactions with related parties - continued**26(d) Outstanding balances**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Current receivables

Name of the person / entity	2018	2017
	\$000	\$000
Redland Investment Corporation Pty Ltd	5,030	99

Current payables

Name of the person / entity	2018	2017
	\$000	\$000
Redland Investment Corporation Pty Ltd	108	272

26(e) Loans and guarantees to/from related parties

On 25 July 2017 Council entered into a loan agreement for the value of \$3,500,000 with RIC to fund the development undertaken by AVA Terraces Pty Ltd. The loan interest is calculated on the daily balance of the loan. The interest rate is determined based on the QTC effective interest rate of 1 July 2017 plus 1.5% margin. As at 30 June 2018, the loan balance is \$3,500,000.

Council did not make any other loans to, or receive loans from, related parties in the financial year ended 30 June 2018. No guarantees were provided.

26(f) Commitments to / from related parties

Refer Note 13 and Note 18 for the restricted land.

26(g) Transactions with LGIA Super

Refer Note 20 for the transactions with LGIA Super.

26(h) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Redland City area. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- payment of rates
- use of Council owned facilities such as swimming pools
- animal registration
- borrowing books from a Council library

Council has not included these types of transaction in its disclosure where they are made on the same terms and conditions available to the general public.

27 Events after the reporting period

On 8 August 2018, Council resolved to transfer funds held in trust to the general account for the amount of \$3,766,625. These funds represent infrastructure charges contributed towards the augmentation of water supply headworks, that were collected by Council following the State Government's acquisition of bulk water assets.

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected the consolidated entity's operations.

REDLAND CITY COUNCIL
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2018

MANAGEMENT CERTIFICATE
For the year ended 30 June 2018

These general purpose financial statements have been prepared pursuant to Sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements present a true and fair view, in accordance with Australian Accounting Standards, of Council and consolidated entity transactions for the financial year and financial position at the end of the year.



Mayor
Karen Williams

Date: 4 / 10 / 2018



Chief Executive Officer
Andrew Chesterman

Date: 4 / 10 / 2018

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Redland City Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Redland City Council (the Council) and its controlled entities (the Group).

In my opinion, the financial report:

- a) gives a true and fair view of the Council's and Group's financial position as at 30 June 2018, and of their financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2018, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the management certificate given by the Mayor and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the Council and the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Other information

Other information comprises the information included in the Redland City Council's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current year financial sustainability statement and long-term financial sustainability statement and the annual report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Council for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the Council's and Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the Council or to otherwise cease operations of the Group.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Council's or the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- Conclude on the appropriateness of the Council's and the Group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's or the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the Group. I remain solely responsible for my audit opinion.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2018:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



Melissa Read
as delegate of the Auditor-General

15 October 2018

Queensland Audit Office
Brisbane

REDLAND CITY COUNCIL
MEASURES OF FINANCIAL SUSTAINABILITY
For the year ended 30 June 2018

TABLE OF CONTENTS

Current-year financial sustainability statement

Independent auditor's report - current year financial sustainability statement Long-term financial sustainability statement

REDLAND CITY COUNCIL
CURRENT-YEAR FINANCIAL SUSTAINABILITY STATEMENT
For the year ended 30 June 2018

Measures of Financial Sustainability

	How the measure is calculated	Actual	Target
Council's consolidated performance at 30 June 2018 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-6.06%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on replacement of infrastructure assets (renewals) divided by depreciation expense on infrastructure assets	53.84%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-34.62%	Below 60%

Council's performance at 30 June 2018 against key financial ratios and targets:

Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-5.67%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on replacement of infrastructure assets (renewals) divided by depreciation expense on infrastructure assets	53.84%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-34.74%	Below 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from Council's audited consolidated general purpose financial statements for the year ended 30 June 2018.

Certificate of Accuracy
For the year ended 30 June 2018

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayor
Karen Williams



Chief Executive Officer
Andrew Chesterman

Date: 4 / 10 / 2018

Date: 4 / 10 / 2018

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Redland City Council

Report on the Current Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Redland City Council for the year ended 30 June 2018 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Redland City Council for the year ended 30 June 2018 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises the information included in Redland City Council's annual report for the year ended 30 June 2018, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements, the long-term financial sustainability statement and the annual report.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the current year financial sustainability statement

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



15 October 2018

Melissa Read
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

REDLAND CITY COUNCIL
LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT
 Prepared as at 30 June 2018

Measures of Financial Sustainability

Measure	Target	Projected for the years ended									
		Actuals 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027

Council

The long-term measures of financial sustainability are presented for Council only. The latest Financial Strategy was adopted exclusive of Redland Investment Corporation Pty Ltd and therefore consolidated measures are not available.

Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-5.67%	-0.84%	0.28%	0.04%	1.54%	1.81%	2.31%	3.18%	3.96%	2.88%
Asset sustainability ratio	Capital expenditure on replacement of infrastructure assets (renewals) divided by depreciation expense on infrastructure assets	Greater than 90%	53.84%	47.12%	55.21%	48.44%	44.47%	43.96%	40.11%	38.18%	39.12%	35.81%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Below 60%	-34.74%	-32.82%	-34.33%	-38.72%	-46.53%	-53.83%	-63.63%	-74.47%	-84.77%	-93.15%

Council's Financial Management Strategy

Council's Financial Strategy is underpinned by the Long-term Financial Forecast which is a ten year financial model. The model is reviewed following revised budget forecasts and is used to support resource allocation decision making. The financial forecast contains details of the assumptions used to estimate growth rates, price increases, general rates and charges increases, and also provides the financial outputs and financial sustainability measures for each of the ten years.

The ten year focus allows us to assess our financial sustainability over the period and to guide corporate decision-making. It is a living and breathing document, guiding our financial planning, revenue-raising and spending activities, while adapting to changing needs and requirements.

The Long-term Financial Forecast provides transparency into our financial performance and planning, giving the Community a view of how its services are being funded and where the money is spent. It is a tool for validating and maintaining alignment with corporate plans and with legislative requirements. It reflects the efforts we are making to meet current and future community expectations and serves to signal the decisions and actions needed to ensure our future financial sustainability.

The projected results are per the adopted 2018-19 budget which is underpinned by the Financial Strategy. It does not include any revisions based on actual results as at 30 June 2018.

Certificate of Accuracy

For the long-term financial sustainability statement prepared as at 30 June 2018

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



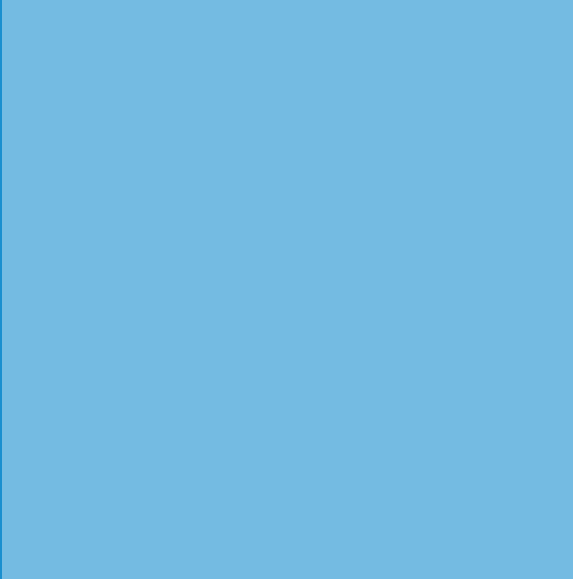
Mayor
 Karen Williams

Date: 4 / 10 / 2018



Chief Executive Officer
 Andrew Chesterman

Date: 4 / 10 / 2018



INDEX OF STATUTORY INFORMATION

Queensland Government legislation requires councils to include specific information in an annual report each year. Division 3 of the *Local Government Regulation 2012* explains what an annual report for a local government must contain. The table below provides an index of where you can find that information throughout this report. In some instances, the 'provision' column summarises the relevant act requirements. For the full wording for each provision, please refer to the source legislation.

Local Government Act 2009			
Requirement	Chapter	Section	Page
Identifying beneficial enterprises	3	41	113
A local government report for each financial year must contain a list of all the beneficial enterprises the local government conducted during the financial year.			
Identifying significant business activities	3	45	113
A local government report for each financial year must:			
(a) contain a list of all the business activities the local government conducted during the financial year			
(b) identify the business activities that are significant business activities			
(c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied			
(d) state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there were any new significant business activities.			
Detailing remuneration	6	201	35
(1) The annual report of a local government must state:			
(a) the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government			
(b) the number of employees in senior management who are being paid each band of remuneration.			
(2) The senior management of a local government consists of the chief executive officer and all senior executive employees of the local government.			
(3) Each band of remuneration is an increment of \$100,000.			
To remove any doubt, it is declared that nothing in this section requires the exact salary of any employee in senior management to be separately stated in the annual report.			

Local Government Regulation 2012			
Requirement	Chapter	Section	Page
Financial sustainability statements	5	178	154-159
<p>(1) A local government's current-year financial sustainability statement must state the relevant measures of financial sustainability for the financial year to which the statement relates.</p> <p>(2) A local government's long-term financial sustainability statement must state:</p> <ul style="list-style-type: none"> (a) the relevant measures of financial sustainability for the nine financial years following the year to which the statement relates (b) an explanation of the local government's financial management strategy that is consistent with the long-term financial forecast. 			
Community financial report	5	179	88
<p>(1) A local government must prepare a community financial report for each financial year.</p> <p>(2) The community financial report for a financial year must:</p> <ul style="list-style-type: none"> (a) contain a summary and an analysis of the local government's financial performance and position for the financial year (b) be consistent with the general purpose financial statement for the financial year (c) include the relevant measures of financial sustainability for the financial year (d) be written in a way that can be easily understood by the community. 			
Preparation of annual report	5	182	n/a
<p>(1) A local government must prepare an annual report for each financial year.</p> <p>(2) The local government must adopt its annual report within one month after the day the Auditor-General gives the Auditor-General's audit report about the local government's financial statements for the financial year to the local government.</p> <p>(3) However, the Minister for Local Government may, by notice to the local government, extend the time by which the annual report must be adopted.</p> <p>(4) The local government must publish its annual report on its website within two weeks of adopting the annual report.</p>			
Financial statements	5	183	119-159
<p>The annual report for a financial year must contain:</p> <ul style="list-style-type: none"> (a) the general purpose financial statement for the financial year, audited by the Auditor-General (b) the current-year financial sustainability statement for the financial year, audited by the Auditor-General (c) the long-term financial sustainability statement for the financial year (d) the Auditor-General's audit reports about the general purpose financial statement and the current-year financial sustainability statement. 			
Community financial report	5	184	88
The annual report for a financial year must contain the community financial report for the financial year.			
Particular resolutions	5	185	115
<p>The annual report for a financial year must contain:</p> <ul style="list-style-type: none"> (a) a copy of the resolutions made during the financial year under section 250(1) (b) a list of any resolutions made during the financial year under section 206(2). 			

Requirement	Chapter	Section	Page
Councillors	5	186	
(a) The annual report for a financial year must contain particulars of:			
(b) for each Councillor, the total remuneration, including superannuation contributions, paid to the Councillor during the financial year			114
(c) the expenses incurred by, and the facilities provided to, each Councillor during the financial year under the local government's expenses reimbursement policy			115
(d) the number of local government meetings that each Councillor attended during the financial year			114
(e) the total number of the following during the financial year:			
(i) orders and recommendations made under section 180(2) or (4) of the Act			41
(ii) orders made under section 181 of the Act			41
(f) each of the following during the financial year:			
(i) the name of each Councillor for whom an order or recommendation was made under section 180 of the Act or an order was made under section 181 of the Act			41
(ii) a description of the misconduct or inappropriate conduct engaged in by each of the Councillors			41
(iii) a summary of the order or recommendation made for each Councillor			41
(g) the number of each of the following during the financial year:			
(i) complaints about the conduct or performance of Councillors for which no further action was taken under section 176C(2) of the Act			41
(ii) complaints referred to the department's chief executive under section 176C(3)(a)(i) of the Act			41
(iii) complaints referred to the department's chief executive under section 176C(4)(a) of the Act			41
(iv) complaints referred to the Mayor under section 176C(3)(a)(ii) or (b)(i) of the Act			41
(v) complaints assessed by the chief executive officer as being about official misconduct			41
(vi) complaints heard by a regional conduct review panel			41
(vii) complaints heard by the tribunal			41
(viii) complaints to which section 176C(6) of the Act applied.			41
Administrative action complaints	5	187	40
(1) The annual report for a financial year must contain:			
(a) a statement about the local government's commitment to dealing fairly with administrative action complaints			
(b) a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process.			
(2) The annual report must also contain particulars of:			
(a) the number of the following during the financial year:			
(i) administrative action complaints made to the local government			
(ii) administrative action complaints resolved by the local government under the complaints management process			
(iii) administrative action complaints not resolved by the local government under the complaints management process			
(b) the number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year.			

Requirement	Chapter	Section	Page
Overseas travel	5	188	116
<p>(1) The annual report for a financial year must contain the following information about any overseas travel made by a Councillor or local government employee in an official capacity during the financial year:</p> <ul style="list-style-type: none"> (a) for a Councillor – the name of the Councillor (b) for a local government employee – the name of, and position held by, the local government employee (c) the destination of the overseas travel (d) the purpose of the overseas travel (e) the cost of the overseas travel. <p>(2) The annual report may also contain any other information about the overseas travel the local government considers relevant.</p>			
Expenditure on grants to community organisations	5	189	25
<p>The annual report for a financial year must contain a summary of:</p> <ul style="list-style-type: none"> (a) the local government's expenditure for the financial year on grants to community organisations (b) expenditure from each Councillor's discretionary fund, including: <ul style="list-style-type: none"> (i) the name of each community organisation to which an amount was allocated from the fund (ii) the amount and purpose of the allocation. 			
Other contents	5	190	
(1) The annual report for a financial year must contain the following information:			
(a) the chief executive officer's assessment of the local government's progress towards implementing its five-year corporate plan and annual operational plan			43-80
(b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year			43-80
(c) an annual operations report for each commercial business unit			98-111
(d) details of any action taken for, and expenditure on, a service, facility or activity:			
(i) supplied by another local government under an agreement for conducting a joint government activity			116
(ii) for which the local government levied special rates or charges for the financial year			117
(e) the number of invitations to change tenders under section 228(7) during the financial year			116
(f) a list of the registers kept by the local government			117
(g) a summary of all concessions for rates and charges granted by the local government			117
(h) the report on the internal audit for the financial year			42
(i) a summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints			n/a
(j) the local government's responses in the financial year on the Queensland Competition Authority's recommendations on any competitive neutrality complaints under section 52(3).			n/a
(2) In this section, an 'annual operations report for a commercial business unit' means a document that contains the following information for the previous financial year:			
(a) information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan			98-111
(b) particulars of any changes made to the unit's annual performance plan for the previous financial year			
(c) particulars of the impact the changes had on the unit's:			
(i) financial position			
(ii) operating surplus or deficit			
(iii) prospects.			

<i>Public Sector Ethics Act 1994</i>			
Requirement	Chapter	Section	Page
Reporting	5	23	32-35
<p>The chief executive officer of a public sector entity must ensure each annual report of the entity includes an implementation statement giving details of the action taken during the reporting period to comply with the following sections:</p> <ul style="list-style-type: none"> • section 15 (Preparation of codes of conduct) section 21 (Education and training) • section 22 (Procedures and practices of public sector entities). 			

