

# Logan City Council



## 1. Recommendation

### The Commission recommends:

- (i) the existing local government boundaries of Logan City be amended to include that part of Gold Coast City north of the Albert River (Beenleigh/Eagleby), and the northern urban sector of Beaudesert Shire (Cedar Grove, Jimboomba, Greater Flagstone, Yarrabilba and Logan Village);
- (ii) the amended local government be called Logan City Council;
- (iii) the amended local government be undivided with 12 councillors and a mayor; and
- (iv) the amended local government be classed as a city.

## 2. Comparison of new and previous local governments

Name	NEW LOCAL GOVERNMENT		PREVIOUS LOCAL GOVERNMENT BOUNDARIES	
	Logan City	Logan City	Gold Coast City (Beenleigh/Eagleby area)	Beaudesert Shire (northern area)
Class	City	City	City	Shire
Size	913 sq km	229 sq km	49 sq km	635 sq km
Population 2006	253,864	175,464	40,148	38,252
Population 2026	382,388	210,233	65,550	106,605
Electors 2007	152,973	104,634	23,897	24,262
Electoral arrangements	Undivided 12 councillors plus mayor	Divided 10 councillors plus mayor	Divided	Divided
Electors per councillor excluding mayor	15,279	10,463		
Total operating revenue financial year 2006	\$239 million	\$162 million	\$48 million *	\$29 million *
Annual capital expenditure financial year 2007 - 2015	\$111 million	\$54 million (financial year 2006)	\$45 million * (financial year 2006)	\$12 million * (financial year 2006)
Total assets at 30 June 2006	\$2,823 million	\$1,839 million	\$696 million *	\$288 million *
Debt at 30 June 2006	\$126 million	\$84 million	\$33 million *	\$9 million *
Community equity at 30 June 2006	\$2,640 million	\$1,716 million	\$655 million *	\$269 million *

\* Pro-rated based on 2006 population split

### 3. Rationale for the new local government

Logan City together with Beenleigh, Eagleby and Windaroo and the northern residential and acreage areas of Beaudesert Shire, form the southern part of the Greater Brisbane urban area. Redland Shire contributes the eastern part of this urban area. Collectively these areas comprise a large part of the SEQ Regional Plan's Urban Footprint to the east and south of Brisbane. They have a very strong social and economic relationship to, and dependency on, Brisbane City which provides a significant level of employment for their residents. Brisbane City also provides:

- high order health facilities and services;
- tertiary education;
- commercial, legal and financial services;
- major industrial precincts;
- recreational, cultural and arts amenities; and
- major air, sea and land transport nodes for international, intra and inter-state travel.

Approximately 10.5 percent of the SEQ region's future population and housing growth will be accommodated within this southern urban area between 2006 and 2026. The SEQ Urban Footprint crosses the administrative boundary of the three existing local governments without distinguishing between the respective jurisdictions. The majority of the new local government area includes the Urban Footprint designation, as well as the future major urban growth areas identified in the Mount Lindesay North Beaudesert Urban Development Investigation Areas. All three local government areas to be included in Logan City Council fall within the lower urbanised reaches of the Logan River catchment and north of the Albert River which forms a logical physical and administrative boundary between the Logan and Gold Coast local government areas.

An expanded Logan City local government area with the inclusion of Beenleigh/Eagleby, and in particular the major future urban development area of northern Beaudesert Shire, will allow the new council to plan appropriately for the population growth the SEQ Regional Plan forecasts for this area.

The Pacific Motorway and the Mount Lindesay

Highway are the main north-south transport corridors and spines for urban development which also extends east-west along the Logan Motorway. The area is served by the Beenleigh to Brisbane suburban rail service which includes services beyond Beenleigh to the Gold Coast.

#### 3.1 Service delivery, operations and management

The Commission bases its recommendation on the following:

- The amalgamation of areas in northern Beaudesert and Beenleigh/Eagleby with the existing Logan City provide a scale and population size that will be manageable with the financial capacity to undertake an important sub-regional planning responsibility.
- Combining parts of three current local government planning schemes into one integrated planning document (albeit with different policies for distinctive areas), together with a single procedure for assessment of applications, should reduce compliance costs associated with urban development and hence impact favourably on housing affordability.
- All three local government areas share a number of cross-border concerns including:
  - water catchment management;
  - regional road, rail and public transport provision; and
  - employment and economic development opportunities for their resident populations.
- The combined population and the high level of projected population growth (estimated to grow by 39 percent or approximately 100,000 between 2006 and 2026) requires a local government capable of providing:
  - strong leadership;
  - quality strategic planning;
  - robust financial performance combined with sound governance;
  - efficient and effective service provision;
  - efficient and cost effective asset acquisition and management; and
  - regional infrastructure planning, financing, construction and management.

- The SEQ Urban Footprint crosses the administrative boundary between all three local governments without distinguishing between the jurisdictions. The majority of the new council area is in the Urban Footprint designation. The future major urban growth areas identified in the Mount Lindesay North Beaudesert Urban Investigation Area are also included in the new local government area.
- The expanded Logan City Council has a well established hierarchy of retail and commercial activity with a principal centre to the north at Springwood and a southern principal centre at Beenleigh. Major activity centres serving the balance of the areas are at Browns Plains, Logan Central and at the Logan Hyperdome.
- Due to the major future urban development planned for this southern urban frame area, it will be essential to carefully plan:
  - the future development of the Urban Footprint;
  - the distribution of employment opportunities;
  - provision of new industrial areas;
  - planning for a number of future urban investigation areas in the Mount Lindesay and Northern Beaudesert Investigation Area;
  - management of the retail commercial centres hierarchy; and
  - the provision of infrastructure in a coordinated manner.

This is best achieved through a local government structure able to address urban development issues coherently, rather than one where the growth will traverse a number of jurisdictions.

- The benefits of economies of scale around the provision of core local government services can be expected to result in the delivery of a wider range of services and/or lower costs to residents.

In summary, the amalgamation of these local governments results in an organisation of a scale and capability to:

- Promote and support major economic development initiatives emerging in the region.
- Develop a common planning scheme format

while formulating planning and urban management policies that are appropriate to the particular communities within its boundaries.

- Address workload resourcing difficulties associated with attracting and retaining in-demand professional and technical staff.
- Obtain economy of scale advantages which facilitates higher quality administration, greater access to technical resources, and an organisation better able to:
  - undertake strategic planning;
  - assess development proposals;
  - provide infrastructure;
  - manage natural resources; and
  - manage water, waste, sewerage and other urban services.
- Provide the necessary political leadership and advocacy, capability, size, financial and technical resources to successfully address the land use, natural resource, environmental, economic and social challenges.

### 3.2 Communities of interest

- There is an economic co-dependency of industries and businesses within the new local government area and the wider SEQ region of which it is a part.
- The area is dependent on Brisbane for employment.
- There are no clear geographic barriers or other distinguishing features between each of the areas to be included in the new local government (ie many of the servicing issues and economic and social interests of the existing local governments overlap).
- The main north-south and east-west highways combined with the suburban rail network provide significant common transport links.

### 3.3 Other

- The SEQ Regional Plan has set a target of approximately 42,450 additional new dwellings in this expanded Logan local government area over the next 20 years.
- As with other areas of Greater Brisbane, higher density and infill development (replacing detached housing with unit developments)

can be expected in some parts of the local government area as the market comes to demand housing products that reflect the changing nature of households, and as part of a response to high housing costs and affordability concerns. This will require a careful and high quality approach to planning, infrastructure sequencing and urban management.

- The Logan City Council will need to focus on the creation of local employment opportunities to reduce the growth in the number of commuters travelling to Brisbane based employment.

## 4. Financial sustainability

Logan City, Beaudesert Shire and Gold Coast City did not participate in the Financial Sustainability Review by Queensland Treasury Corporation.

Key demographic and economic factors of Logan City include:

- Economy is based around the retail and wholesale trade, and manufacturing industries.
- Relatively young population with the average population age projected to increase to 38 years of age, over the next 20 years.
- Expected strong population growth over the next 20 years, particularly in the Beenleigh/Eagleby and North Beaudesert Shire localities.
- Average taxable income is well below the State average.

Key historical financial measures of Logan City include:

- Small to medium operating deficits in five of the six historical years with a small surplus in financial year 2005.
- Depreciation levels are within industry ranges.
- High revenue flexibility with own source revenue being 75 percent of total operating revenue in financial year 2006.
- Adequate liquidity levels.

It is likely that the new local government would be rated as moderate with a developing outlook based on the likely negative financial impact of

North Beaudesert Shire.

## 5. Implementation issues

The Commission did not identify any specific issues relating to the amended local government.

## 6. Boundary issues

The Commission did not identify any specific issues relating to the amendment of Logan City's boundaries through the inclusion of the northern area of Beaudesert Shire and the Beenleigh/Eagleby areas of Gold Coast City.

## 7. Suggestions

The Commission gave consideration to the 171 suggestions it received in relation to Logan City and adjoining areas.

### 7.1 Details of suggestions

- Logan City Council's suggestion is that a strong argument exists for maintaining its current boundaries. Council suggests it:
  - is financially responsible, strong and sustainable;
  - has strong governance and regional leadership;
  - has had significant and well-managed growth; and
  - has comparatively new and high quality infrastructure.

While Council's suggestion does not directly advocate extending its current boundaries, it does suggest that Logan City could be extended to include the northern part of Beaudesert Shire (Flagstone, South Maclean, Yarrabilba) and that part of Gold Coast City north of the Pimpama River to the coast (Jacobs Well, Norwell, Woongoolba). Logan City states that these areas have similar communities of interest and would allow infrastructure sequencing and growth in a sustainable way while enhancing the achievement of the objectives of the SEQ Regional Plan.

Council believes it is vital that the communities of interest on both sides of the M1 Motorway be protected as this area includes one of the strongest retail clusters in the nation and Logan's only sewerage treatment plant.

Council does not support an amalgamation with Redland Shire as each local government is sustainable in its own right and there is relatively little genuine community of interest between the two areas.

Council favours maintaining a divided local government and strongly supports keeping Logan City as its name.

- Gold Coast City Council's suggestion is to remain as a local government in its own right with boundaries and electoral arrangements to remain unchanged on the basis of:
  - the current boundaries have existed for only twelve years as the result of a significant and comprehensive review process;
  - Council's financial position will potentially be adversely impacted by any change;
  - losing the northern industrial base would potentially impede the development of a broad based economy for the City which is critical from financial sustainability, forward planning, growth management and economic development perspectives;
  - strong community of interest covering physical characteristics, transport linkages, local road networks, catchment areas and employment; and
  - management of northern natural resources and waterways is best undertaken through current arrangements.

Council considered a range of scenarios and believes that from financial sustainability, natural resource management and community of interest perspectives, it would be negatively impacted. The scenarios considered were:

- inclusion of Tamborine;
- inclusion of Yarrabilba;
- excision of Beenleigh; and
- excision of the area north of the Pimpama River.

- Beaudesert Shire Council's suggestion to the Commission includes results of a resident survey in which the majority of Beaudesert Shire residents who responded were in favour of remaining within the current Beaudesert Shire. The major factors in retaining the current structure are based on residents being satisfied with the current level of service and the desire to maintain a rural lifestyle. A minority of comments favoured amalgamation based on progress and the provision of more services.

The majority of survey respondents expressed the view that there are minimal 'communities of interest' with adjoining local governments.

- Redland Shire Council's suggestion is that the current western and southern shire boundaries be adjusted to include the area east of the Pacific Motorway and south to the Logan River within Redland Shire (the communities of Rochedale South, Springwood, Daisy Hill, Shailer Park, Loganholme and Carbrook – Cornubia, totalling 52,000 residents). The reasoning is:
  - natural and logical boundaries;
  - communities of interest; and
  - the grouping of major environmental and resource areas.

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

## 7.2 Commission's comments on suggestions

The Commission considered:

- Logan City's suggestion to remain a stand-alone local government and concurs with this on the basis of having:
  - sufficient population;
  - different communities of interest to the more rural focused Beaudesert Shire; and
  - the conservation area including the protected "Koala Habitat" which presents as a natural barrier between Logan City and Redland Shire.

- Logan City’s views on boundary realignment; and the Commission agrees there are planning benefits and strong communities of interest between Logan City and the northern urban area of Beaudesert Shire and north-western area of Gold Coast City (Beenleigh and Eagleby). However, the Commission is of the view that the north-eastern area of Gold Coast City should not be removed as this area has a distinct community of interest with Gold Coast City.
- Gold Coast City’s suggestion that its boundaries remain unchanged. However, the Commission is of the view that the Beenleigh/Eagleby area has a greater community of interest with Logan City and the Greater Brisbane metropolitan area. In addition the development north of the Albert River is essentially residential which is different to the development to the south of the Albert River being essentially industrial and commercial.
- The suggestion by Beaudesert Shire to remain stand-alone; and is of the view that Beaudesert Shire contains two quite distinct areas being the urban area, which is essentially a part of the Greater Brisbane metropolitan area (and the Urban Footprint from the SEQ Regional Plan), and the rural area. These two areas are considered to have distinctly different communities of interest based economic activity and future growth profile. The rural component of Beaudesert Shire is considered to have strong linkages with Boonah.
- The Commission considered Redland Shire’s suggestion to amend the boundaries to include that part of Logan city east of the Pacific Motorway. While this suggestion was discussed extensively, the Commission is of the view that the conservation area including the protected “Koala Habitat” represents a natural barrier between Logan City and Redland Shire, providing few direct connections. Consequently direct transport linkages are poor with major access routes between the Redland Shire and the eastern suburbs of Logan being via Brisbane City or the circuitous route of Mt Cotton Road or Beenleigh-Redland Bay Road.

## 8. Other Commission considerations

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

## 9. Objectives set for Commission

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