

AN OVERVIEW OF GROWTH AND SERVICE DEMAND ON SMBI

By Shane Rendalls, 20 January 2026.

Introduction

This paper is based on the number of development applications to Redland Council and is the outcome of analysis that I have undertaken. It represents my views and has not been endorsed by Council, nor does it represent the views of council. The following citation should be used for this report.

Rendalls, Shane. (2026, January 20). SMBI growth and demand. Retrieved from shanerendalls.au.

The data below reflects my best estimate of residential development and growth forecasts for SMBI. This is based on existing residential properties and rates of residential building applications. Like any estimates, this data should be treated with caution, limitations of the data include, and are not limited to:

- Baseline data is not yet adjusted to provide a current snapshot of occupied residential properties and developed and vacant commercial and industrial land
- Some residential lots will be merged for rating purposes and may not be made available for new housing
- Some applications include multiple occupancy developments; these have only been counted as one application.
- Not all development applications will be approved and may need revision and resubmission to proceed
- Not all approved development applications will proceed to construction
- The timeframe between development application, construction and occupancy may vary
- Population estimates are only indicative estimates and subject to lot development and average occupancy per dwelling
- Population growth does not factor potential changes in the family composition of new residents arriving on the islands. Anecdotally, we see younger people undertaking new builds on vacant land and families with children moving into existing houses as older residents move from the islands.

There are well over 800 residential development applications each year on SMBI

Table 1 below shows the number of dwellings and vacant residential lots across SMBI as of mid-2023. As of the end of 2024 (18 months) at least another 400 additional dwellings had been constructed across SMBI, the distribution of these across the islands is not yet available. Table 1 does not include commercial, council or state-owned land.

Housing growth on SMBI

Russell Island comprises 61% of the total residential lots across the islands, followed by Macleay Island with 31%, Russell Island has almost twice the number of residential lots as Macleay Island. Currently, Russell Island has approximately 20% more developed lots than Macleay Island.

As council rates are based on developed and undeveloped lot numbers, Russell Island contributes approximately 61% of residential rates levied on SMBI. Most of the rates levied on Russell Island are for vacant blocks. The contribution of Russell Island will be slightly higher to reflect the higher number of commercial and industrial zoned land on Russell Island, relative to Macleay and Lamb Island. There is no commercial or industrial land on Karragarra Island.

Table 1: SMBI Residential lots mid 2023

Island	Dwellings	Vacant residential	Total residential	% residential lots developed	% total residential lots by island
Russell	2,379	4,631	7,010	34%	61%
Macleay	1,995	1,535	3,530	57%	31%
Lamb	374	339	713	52%	6%
Karragarra	175	79	254	69%	2%
Total	4,923	6,584	11,507	43%	100%

Most growth is on Russell Island, over twice that of Macleay Island

Table 2 below shows the number of development applications for Division 5. With an average of 16.6 development applications per week over the preceding 26-week period, this equates to around 860 applications on SMBI per year. Russell Island makes up most of the applications, with 2.5 as many applications as Macleay Island. Lamb and Karragarra Island made up 3% and 2% of development applications respectively.

Of note, while the resident population of mainland Division 5 (Redland Bay) and SMBI was close to being evenly distributed 18 months ago (based on electoral enrolments) the rate of residential development applications on SMBI was almost 12 times that of mainland Redland Bay, though we expect to see increases in applications for multi-unit developments in Redland Bay.

Housing growth on SMBI

Table 2: Development application 25/07/2025 to 21/11/2025

New dwelling applications for week ending	Russell Island	Macleay Island	Lamb Island	Karragarra Island	SMBI	Mainland Redland Bay
4/07/2025	15	3	0	0	18	4
11/07/2025	5	5	1	0	11	1
18/07/2025	10	2	0	0	12	0
25/07/2025	18	5	0	1	24	1
1/08/2025	18	5	0	1	24	1
8/08/2025	9	5	1	0	15	0
15/08/2025	10	2	0	0	12	2
22/08/2025	11	1	0	1	13	0
29/08/2025	19	4	0	0	23	3
5/09/2025	8	2	0	0	10	2
12/09/2025	15	5	0	1	21	1
19/09/2025	13	5	1	0	19	0
26/09/2025	13	4	1	0	18	2
17/10/2025	4	4	0	0	8	1
24/10/2025	11	4	1	1	17	3
3/10/2025	5	5	1	0	11	2
10/10/2025	12	8	0	0	20	1
31/10/2025	17	5	1	0	23	0
7/11/2025	12	6	0	0	18	2
14/11/2025	5	6	0	1	12	3
21/11/2025	10	6	2	0	18	1
28/11/2025	17	4	0	0	21	3
5/12/2025	12	6	1	0	19	1
12/12/2025	4	5	0	1	10	0
19/12/2025	10	6	2	0	18	1
26/12/2025	10	6	0	0	16	1
Grand Total July-Dec 2025	293	119	12	7	431	36
Count of weeks	26					
Ave per week	11.3	4.6	0.5	0.3	16.6	1.4
Annual equivalent (26 x 2)	586	238	24	14	862	72
Each island as % all SMBI	68%	28%	3%	2%	100%	

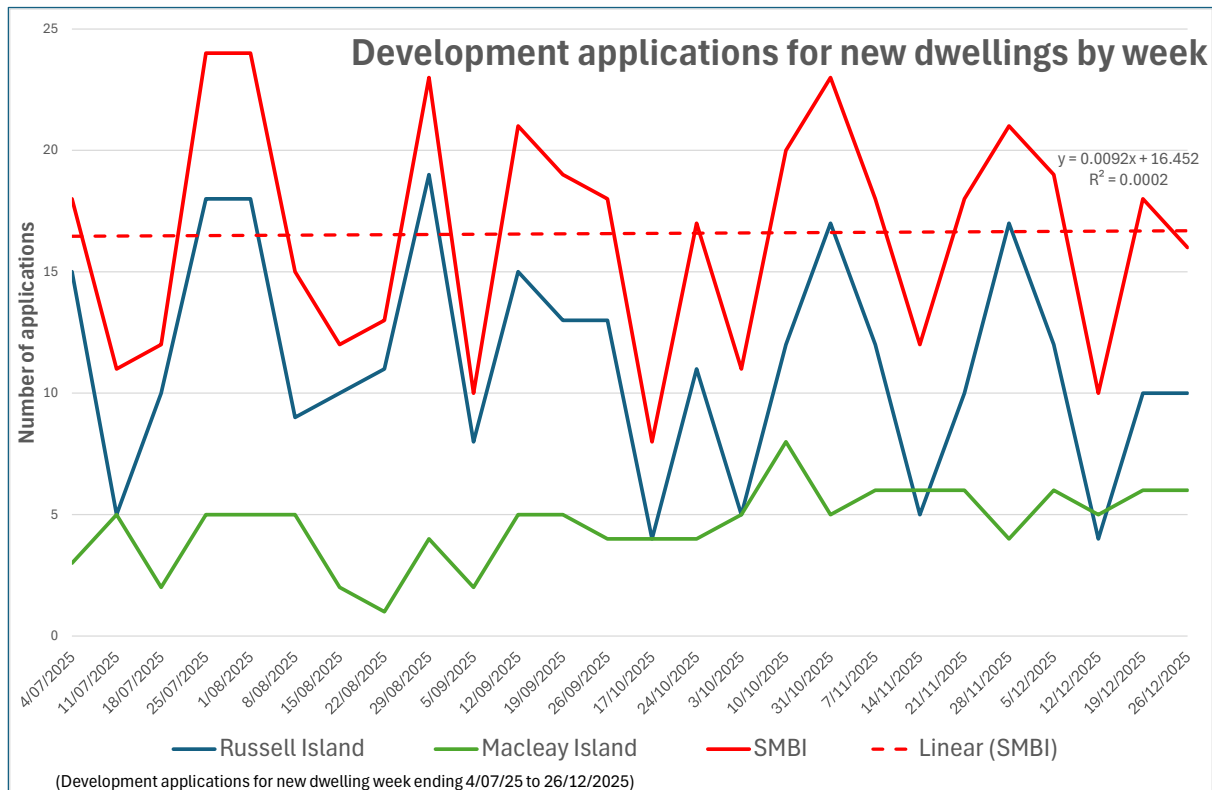
The application data is charted in Figure 1, below. While the overall linear trend data is significant, the marked weekly variations is suggestive of other factors driving the timing of applications being received and reported. While the weekly application data does not support a meaningful claim for a steady increase in the weekly rate of applications¹, the comparison with an estimated 400 new builds in SMBI in the 18 months to end of 2024

¹ This draws a distinction between the meaningfulness of the data, as opposed to the statistical significance.

Housing growth on SMBI

is suggestive of a marked increase in annual housing growth. Trend data may become more apparent as more applications are received and reported, and/or through a back mapping of earlier data.

Figure 1: Applications for new dwellings Division 5 – 26 weeks ending 26/12/2025



SMBI is likely to approach full residential capacity within ten years

Applying the estimated rate of residential development applications against the number of vacant lots, we can estimate that nearly all residential lots on SMBI will be developed within the next 10 years. Further monitoring trend data in the lodgment of development applications and completed dwellings will allow a more refined estimate of housing and population growth.

If we assume the number of development applications broadly reflects the number of houses that will be built, the estimate of 860 applications in 2025 is more than twice the estimate of 400 houses constructed in the 18 months to the end of 2024². While not a valid comparison of like for like, it does suggest that the rate of applications and housing construction on SMBI is increasing. If the rate of housing construction continues to increase, we may see most vacant SMBI residential lots developed in as little as 7-8 years.

² Noting this is not a direct like for like comparison it should only be used for high level and indicative comparisons.

Housing growth on SMBI

Subject to any economic downturn, I expect the rate of growth will continue to increase. Growth is being driven by affordability with the median price of SMBI housing approximately 33-50% of the mainland and residential lot pricing as little as 10% that of the mainland. Housing and land affordability is an attractor for homeowners wanting to downsize and realise capital gain, first home buyers and builders.

We could soon see over 20,000 people living on SMBI

Assuming 1.6 – 2.0 people per dwelling³, we could see 18,000-23,000 people living on SMBI. More than a doubling of the current population. Table 3 provides an indicative estimate of the future SMBI population.

Table 3: Forecast population estimates.

Island	Estimate as at mid-2023			Projected population	
	Dwellings	Vacant residential	Total residential	1.6 pers per lot	2.0 per lot
Russell	2,379	4,631	7,010	11,216	14,020
Macleay	1,995	1,535	3,530	5,648	7,060
Lamb	374	339	713	1,141	1,426
Karragarra	175	79	254	406	508
Total	4,923	6,584	11,507	18,411	23,014

Growth is driving unfunded demand for council services

The rate of population growth on SMBI is stretching and creating increased demand for island infrastructure, including roads, footpaths, drainage and community infrastructure. More vehicles on the roads, more people using services and more people moving to SMBI expecting better levels of service is dramatically increasing demand for council investment in areas previously placed on the backburner (such as roads with previously few if any residents now being occupied, areas with inadequate drainage, demand for footpaths, etc.)

However, the rate of growth is not matched by the rate of increase in rates paid to council. In short, council is now required to deliver more to SMBI with not a lot more revenue coming from SMBI. This will also manifest changes in relative demand for services across the islands to reflect levels of housing development, population growth and demand for services.

Competing against council investment on SMBI will also be council infrastructure requirements for population growth on the mainland. As housing lots being developed on SMBI are already residentially zoned, there is no infrastructure contributions for

³ There was an average of 1.9 people per household on SMBI in 2021. See [2021 Southern Moreton Bay Islands, Census All persons QuickStats | Australian Bureau of Statistics](#)

Housing growth on SMBI

SMBI residential growth and no increase in the number of rateable properties. In fact, council rates for owner occupied properties is less than that for vacant residential land.

Both the mainland and SMBI developers pay the same fee schedule for applications, approvals etc. These fees reflect the average cost of providing these services, they are not a windfall to council. Development fees are not a funding source for infrastructure investment.

It should be noted that SMBI vacant residential blocks comprise over a third of the total new lot release planned for Redlands comprising 3,000 lots at Shoreline and 8,000 lots in Thornlands PDA. As new residential lot developments, mainland developments attract infrastructure payments from developers and paid for by residents through the land purchase price. In new housing estates the land purchase price includes the cost of new local roads, footpaths, kerb and guttering, stormwater drainage, sewerage, contribution to new local parks, etc. This is a key reason why land in Shoreline for example is around \$800k per 700sqm lot, or up to 10 times the average price of vacant lots on SMBI⁴. It is because residents moving to Shoreline are paying for the infrastructure relating to the Shoreline Estate and convenience and amenity of living on the mainland.

While new housing estate developments do contribute to the local infrastructure costs, they do not contribute to increased demand on city wide assets such as roads, parks, wider wastewater infrastructure, libraries, etc. The existing development at Shoreline and Thornlands PDA will increase costs of council service provision across the city. This is already a contentious discussion point with the State government in relation to the cost of housing growth, not just for Redlands, but for all councils across Queensland and in other states.

Mainland residential lot developments also increase the number of ratepayers and rates paid to council. Whereas, residential development on SMBI reduces rates paid to council as rates on vacant land are higher than on principal place of residence.

Can we slow the rate of housing growth on SMBI

Short of existing residents and land buyers purchasing and amalgamating land titles and/or council undertaking buy backs there is little, if anything, council can do to slow housing growth. Put simply, in Queensland if people own a residential approved lot they are entitled to build on the lot. Council is not approving the rezoning of land for residential development; the land is already zoned.

Assuming an average land value of \$70,000 per lot, it would cost over \$230m to buy back 50% of the vacant residential lots on SMBI, and council would lose almost 30% of

⁴ Note, land values have been increasing rapidly

Housing growth on SMBI

rate revenue from SMBI. Council simply does not have this money, and I expect SMBI residents would not wish to pay a levy for council to buy back land. Assuming a 50% buyback, the levy would be over \$40,000 per remaining residential lot.

Have we missed the bus for city planning?

Council has just initiated the review of the City Plan; this will determine what our future city will look like. A five-year process, this will cover:

- zoning for residential, commercial, industrial land and recreational land
- housing density and lot sizes
- housing alignments and streetscapes
- wildlife corridors and habitat protection
- key focus areas for community infrastructure investment
- key focus areas for marine infrastructure investment
- locations for critical future infrastructure such as sewerage
- roads, paths and active transport routes
- etc.

Given that it is possible that SMBI could be fully developed within the timeframe for the city plan, I will be working with local business and community to bring planning for SMBI forward to ensure that there is capacity to plan and shape the future of SMBI before it is fully developed.

More information on the Redland City Plan is available on the council website at [Redland City Plan | Redland City Council](#)

SMBI growth is driving demand for state and private investment

Our ferries are at capacity; this requires investment in more frequent and/or larger ferries. Redland Bay Marina is at capacity, bringing forward the need for state and council investment in a new ferry terminal, to cater for the increase in passenger demand and enabling larger ferries. The redevelopment of the Redland Bay ferry terminal is not yet on the short-term planning horizon.

Parking at our island ferry terminals is over capacity. As public transport hubs, this is also the responsibility of the state. Similarly, the provision of public transport on the islands to improve access and reduce parking demand is a state responsibility.

Our demand for mobile telecommunications is pushing demand on the Commonwealth to support funding for better telecommunication coverage across the islands. This is important both to meet increased population and the distribution of the population across the islands to remove mobile reception 'black spots', but also for disaster resilience.

Housing growth on SMBI

Contributing to the capacity to attract Commonwealth and State funds is the refusal of the Commonwealth to restore the classification of SMBI as a regional area. This would open new infrastructure funding options.

Unfunded growth is a problem across the city and most growth areas.

The problem of population growth and ageing assets creating unfunded demand for infrastructure and operational investment is felt across Redlands and nearly all other areas of Australia experiencing high population growth. It is a key focus of state and national local government associations. Redlands is particularly constrained as its revenue is primarily residential rates with a limited commercial and industrial rate base.

The issues confronting SMBI are also experienced by the south of the city and rural areas within the city. These areas are struggling to attract council spending as established areas and services in the north require additional funding to maintain existing infrastructure and operational service delivery, whether it is roads and footpaths, established park maintenance, sewerage and underground infrastructure maintenance, or community infrastructure and services.

This is only the tip of the iceberg

There is a lot more to unpack here, which I will do as I collect more data and drill down into other areas of service need for Division 5. Follow my Facebook and website as more updates are published.

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