LGAQ EXECUTIVE REPORT
Delegates and Observers

In accordance with the rules of the Local Government Association of Queensland (LGAQ), the governing body of the Association (Executive) formally reports to each Annual Conference on its strategic direction, policies and activities during the previous year.

For the past decade, this report has chronicled developments in the broader environment in which Queensland councils operated over the past 12 months, as well as outlining the corporate goals and strategies of the LGAQ, and its wholly owned entities, together with their more significant initiatives and achievements during this period.

For an exhaustive list of the Association's activities and policies please refer to LGOnline at www.lgaq.asn.au

External Environment

The past year has seen the culmination of many years of advocacy and planning by the LGAQ realised in significantly improved financial support by state and federal governments delivered through their most recent budgets. Importantly these welcome initiatives also provide clarity and certainty against which councils can plan their next five years of outlays. The last 12 months have proved the most successful period for the Association in securing additional resources for councils since 1996.

Years of campaigning for greater infrastructure funding by the Association and reflected public opinion over both the condition and scope of public infrastructure has forced governments at all levels to address these issues. Exceptional growth in state and federal government revenues through property and resource booms has provided the cash to fund major new capital outlays. In addition, after years of borrowing avoidance the state government has embarked on a modest debt-financing program of inter-generational assets. Perversely, this expansion of capital outlays has occurred during a private sector construction boom as opposed to the more traditional counter-economic cycle intervention. Both state and federal governments, have as might be expected, embarked on major policy review development programs in what has been the first year of their respective terms. This has resulted in heightened community debate, eg industrial relations reforms, water pricing and management, counter-terrorism measures and impacted on the workload of both the Association and councils.

Community attitudes towards local government

Thankfully the “2005 LGAQ Community Attitudes Towards Local Government” survey has shown a bounce back in performance over the 2003 survey. Indeed this year's results are second only to the inaugural survey undertaken in 1997. This is a heartening trend following a decline in the survey results for the 1999, 2001 and 2003 surveys.
International Recognition

Whilst the LGAQ had previously won a range of national innovation, best practice and excellence awards, the Association's work had never been recognised internationally. That changed not once but twice over the last year.

The LGAQ together with Queensland Department of Main Roads won the prestigious International Road Federation Award for the Roads Alliance. Whilst the United Nations formally recognised the Association's work in developing a Community Engagement model for Queensland councils through its Public Participation Award.

Federal Government

The past 12 months has seen some significant improvements in federal financial assistance to local government. While these gains in areas such as water infrastructure, disaster mitigation, red tape reduction, diesel fuel rebate and rural doctor retention are welcome, and amount to hundreds of millions of dollars in additional financial support, the fundamental issue of securing access to a growth tax to fund unmet demand in local government is no closer. Furthermore, slow and limited progress is being made with the federal government’s response to the Hawker Inquiry. This is in stark contrast to developments in both Canada and the UK.

The adage that planning and execution is everything in the world of public lobbying and advocacy rang true over the past year with respect to the federal scene. Well researched and presented cases by the LGAQ over the past few years have paid handsome dividends. It is abundantly clear that when dealing with Canberra, submissions have to be of the highest order, be economically literate and couched in terms of the national interest. Where appropriate, over the last year, the LGAQ has utilised Canberra based senior political lobbyists to further its agenda; representing a change in approach.

In cases where the LGAQ has specific carriage of an agenda it has succeeded in every instance during the last year. It is more problematic when a ‘national lobbying’ effort is required, given the significant differences in views that exist in and between the local government movements in the various state jurisdictions. The best recent example of a successful LGAQ led campaign was the Mayors and Motorists joint initiative between the RACQ and the Association run in the months leading up to the federal election in October 2004. This initiative resulted in an additional $120m being added to the original Auslink allocation to Queensland. However, Queensland remains significantly disadvantaged by Auslink arrangements especially in relation to the National Highway and Brisbane’s Urban Corridor.

Of particular note in the federal sphere was the election in November 2004 of LGAQ President Cr Paul Bell AM as President of the Australian Local Government Association (ALGA) for a two-year period.

The LGAQ Executive have been forceful in promoting the need for ALGA to develop a comprehensive policy position in response to the Hawker Inquiry that encapsulates an enforceable Inter-Governmental Agreement on cost shifting, access to a growth tax and constitutional recognition of local government. In June 2005 the federal government delivered its response to the Hawker Inquiry, and while it contained elements of what local government required in terms of its relationship with state government, it demurred on the issue of federal/local government financial relations. At the time of writing this report the Local Government Ministers Conference was yet to consider this matter.

The often-reported march towards centralism continued unabated over the last year. Canberra is flexing its muscles on industrial relations, water and coastal planning using both carrot, through significant financial enticements, and stick via use of external affairs and other constitutional powers.
State Government

By any measure the LGAQ has been very successful over the last period at the state level in improving local government’s circumstance, most particularly through a new five year enhanced local government capital subsidy program, the South East Queensland Infrastructure Investment Program and numerous other significant policy wins. As always there are disappointments in areas such as regional development advisors and asbestos management although that argument is yet to be resolved.

The largest and most obvious success for the Executive was the announcement of a five-year $700m local government infrastructure subsidy program on Anzac Day 2005. This represented a $100m increase on the previous program and the changing of some program guidelines to take account of specific submissions made by the Association. Much work was undertaken by the Association over the previous two years building the case for a larger and more flexible program to meet the needs of councils and communities. In addition, a further $100m has been set aside for a State Sesqui Centenary Celebration Fund to be provided to councils on a matching dollar for dollar basis.

In broader terms continued LGAQ public advocacy through public inquiries, major research consultancies, strategic alliances with other peak bodies lead to a 50 percent increase in infrastructure outlays by the state government in the 2004/2005 State Budget, most particularly in the roads and transport area. If sustained over the next decade, this effort will greatly assist in meeting unmet infrastructure demand.

Major policy successes came in achieving a sensible and workable mandatory ‘Code of Conduct’ for councils, salary sacrificing for elected members for superannuation purposes and exemption for councils for certain provisions of the Coastal Protection Management Act.

Importantly, not resting on its laurels, the Executive has launched a new round of policy initiatives to improve the operating environment for member councils, mindful that the lead times for legislative change are significant. They included the enhanced funding for the Roads Alliance; valuation system and reform, Local Government Act review, a review of roles and responsibilities of the Environmental Protection Agency (EPA) and councils, and of course, a forum to discuss Size, Shape and Sustainability of local government in Queensland.

The LGAQ has continued to enjoy excellent access to the Premier, Treasurer, Minister for Local Government and other ministers. The working relationship with senior echelons of the Queensland Public Service remains cordial and productive. It would be remiss not to mark the retirement of the Deputy Premier and Treasurer who has been an influence on our sphere of government for the last 13 years. His legacy includes the Local Government and Planning Acts, the Capital Works Subsidy Programs, Regional Centres Program and the South East Queensland Regional Growth Management Plan and Infrastructure Plan. Whilst there had been major differences with the LGAQ, most notably the Performance Dividend and Ambulance Levy, Hon. Terry Mackenroth had a beneficial effect on our sphere of government.

Strategic alliances with key government departments has been a favoured method of engaging the state public sector in recent years. The two outstanding examples are the Roads Alliance with the Department of Main Roads (which won a 2005 International Roads Federation Award) and disaster mitigation with the Department of Emergency Services.

Of course, as always there have been disappointments as mentioned in the introduction to this section. In these limited instances where the state government acts capriciously it damages the good works done in other areas and prejudices the
prospect of further cooperative initiatives. There is a growing trend for state governments across the nation to devolve politically unpalatable regulatory responsibility to local government in order to preserve their relationship with the electorate.

The Association

The new Executive (elected from June 2004) embarked on a series of policy, program and service delivery initiatives over the past year to favourably position the Queensland local government sector over the balance of the decade. While capable of being seen as a series of independent actions, their efforts cumulatively form a comprehensive framework of legislative and financial underpinnings, opportunities for growth and renewal of our sphere of government and assistance and services to enable member councils to optimise the opportunities for community progress and development through these changes. In short, the Executive’s goal has been to improve member councils lot in life.

In the course of its annual corporate planning process, the Executive emphasised the need for more fully engaging with various sub groupings within the broader Association membership i.e. new councillors, women and regional organisations of councils. Furthermore, they emphasised the need for more personalised and direct communication with councillors. To that end, a range of differently styled direct mailings have been sent to all Queensland councillors over the past year.

In addition, the levels of visits to member councils were doubled, such that at the time of writing over half of all Queensland councils were visited in the past year. A feat never before achieved by the Association. Equally important, all of the Association’s Policy Reference Groups were formed and met on at least two occasions providing opportunities for over 100 elected member and senior council officers to directly input into, and influence, the LGAQ’s work on a regular basis.

The final plank in member relations is LGOnline which all but three member councils subscribe to. In its first full year of operation some 150 operational enhancements were made. This unique service is achieving world’s best practice.

One of the particular focuses of the Executive has been the need for proactive policy, and not to create policy voids to be filled at a later date by other spheres of government. That policy of pre-emptive strikes was never more evident than in the carriage of the Size, Shape and Sustainability agenda, when before formal policy development by state government took place, local government through its peak body, the LGAQ, took control of that agenda. The discussion paper, special conference and subsequent communiqué and action plan are all evidence of the sophisticated and deliberate attempt by the Executive to have member councils be masters of their own destiny.

The Executive has specifically encouraged staff to be bold and innovative in their service delivery, support and commercial roles. That stance is evidenced through initiatives such as QGRAD, LG ONE, the para-planners certificated course, and the yet to be formed joint venture with the Queensland Treasury Corporation - LG Infrastructure Services. Quite simply LGAQ is leading the nation in these fields of endeavours.
An example of the innovation promoted by the Executive has been “From the Back Room to the Boardroom” program. This program involves multiple sector stakeholders and is attempting to refocus elected members efforts on to all important infrastructure asset management and balance sheet issues.

Conferences, seminars and training remain an integral part of the LGAQ's operations over the past year. In all, 6101 participated in these events, a 30 percent increase on the previous year. They enable knowledge transfer, promote networking, create stronger relationships between the LGAQ and participants and provide a revenue stream for the Association. Not to forget the renewal and expansion of the Breaking the Unemployment Cycle Program at a cost of $34m over the next three years. There has been a great deal of effort employed to address the strategic issues of our sphere of government while continuing to address the burgeoning day to day operational needs of councils.

As the sole peak employer body in local government, the LGAQ has sought to maximise opportunities to create the most flexible and productive industrial relations and human resource management framework in which its member councils can operate. The Executive have overseen efforts to modernise both the state and federal industrial awards and facilitate a move to one jurisdiction and one award, create a Local Government Centre for Training Excellence in partnership with the Southern Queensland Institute of TAFE, address labour market shortages through graduate recruitment and specialist accredited certificate courses. Not to forget the renewal and expansion of the Breaking the Unemployment Cycle Program at a cost of $34m over the next three years. There has been a great deal of effort employed to address the strategic issues of our sphere of government while continuing to address the burgeoning day to day operational needs of councils.

The Executive placed renewed emphasis on the operations of its wholly owned or managed entities during the year, being Resolute Technology, Local Buy, LGM and LGW. All of their strategic directions were noted by the Executive during the course of the year. Very importantly, these entities continue to provide significant financial and intangible benefits to member councils. They also return approximately $1.75m in revenues to the LGAQ, which both greatly limits subscription rises and provides a range of benefits and services to members that would not otherwise be possible.

Significantly, the Executive approved a joint venture with Technology One to develop and roll out the LG ONE finance and administrative software package, using world's best communication technology to deliver the product. In doing so, the LGAQ succeeded in having Telstra and the state government provide broadband capability to 80 smaller communities across Queensland, a major coup.

The Executive empowered staff to develop business plans for shared service operations and labour market recruitment. At the time of writing comprehensive feasibility studies were underway.

The LGAQ continued to be a major player in all forms of the Queensland media with approximately 3200 mentions, down from 4000 the previous year, an election year. The Association secured five feature articles in the Courier Mail over the past year and remains the commentator of first choice on local government affairs in talk back radio. Of particular note, was the Association's background briefing of journalists across the state on valuation increases that was a highly successful exercise that greatly assisted member councils.

A final point to note for the year from an Executive perspective was the continuing increase in indigenous council membership of the Association. A regular dialogue was held with both the Aboriginal Local Government Association and Island Coordinating Council during the last year. In all, 13 Aboriginal or Islander councils are members of the LGAQ. Indigenous councils represent 9.5 percent of total membership and potentially 20 percent if all joined.
Directorate

The last year was one of stability in the LGAQ staffing ranks with limited turnover. Fulltime equivalent staff increased to 39, the first such rise in five years with the creation of an additional Infrastructure Policy Officer position. Demands on LGAQ staff continue to grow at an exponential rate, reflecting the demands on councils themselves. Furthermore, significant additional travel was undertaken to attend ROC meetings and individual council visits.

As mentioned above, the demands on the Association's resources continue to grow at a rapid rate albeit the form of that engagement is changing.

To illustrate that point incoming phone calls continue to drop to around 700 calls a day, (this figure does not take into account an increase in mobile phone telephony) while incoming emails and faxes (sans spam) have jumped from 550,000 to 860,000 over the past year. The LGAQ received 6100 items of written correspondence while initiating 7600 outgoing letters. Staff, with Executive oversight, compiled and forwarded 63 submissions to State and Federal Governments on various matters and in response to public inquiries. The Association's staff attended over 50 ALGA, District Association, ROC, other groupings of council and professional body meetings or conferences. In all, 6101 delegates, observers or participants attended LGAQ conferences, seminars or training sessions up from 4600 the previous year. Industrial staff made 139 appearances in the State and Federal Commissions and dealt with some 4900 individual matters (a 10 percent increase on the previous year's level of activity) on behalf of member councils. Staff also produced approximately 400 circulars and 100 news releases.

To cope with these demands the Directorate is pursuing an ongoing program of continuous improvement in all areas of the operations, with particular emphasis on IT systems and mobile computing.
Size, Shape and Sustainability

In December 2004 the Executive, following encouragement at the Annual Conference in Mackay, resolved to commence an initiative into the Size, Shape and Sustainability of local government in Queensland. A discussion paper was approved in March by the Executive and released for feedback and debate at a special conference on 31 May/1 June.

The conference, attended by 430 delegates, agreed on a five-page communiqué that now forms the basis of action being taken by the Association.

Significantly, local government in Queensland has elected to be the master of its own destiny demonstrating its maturity and responsibility as the sphere of government closest to the community.

The communiqué represents a comprehensive reform blueprint identifying the drivers for change; the alternative structural and governance models to be considered; the sustainability indicators against which council performance can be measured; a framework to undertake a review; and the incentives and support needed to support the reform process.

Councils have called for any such assessment to be independently undertaken to ensure balance, objectivity and transparency.

The Executive has now approved a comprehensive action plan and work is underway developing the tools and resources for councils wishing to take the initiative and commence the review process. State government financial support has been received to assist this work and to support those groups of councils wishing to investigate their long-term size, shape and sustainability.

Finance and Administration

FUNDING ASSISTANCE

The federal government has responded to the 18 recommendations of the Fair Share Report (Cost Shifting Inquiry). LGAQ is providing direct input into the development of the Intergovernmental Agreement between local, state and federal government. LGAQ continued to lobby against cost shifting whilst continually supporting the need for constitutional recognition at the federal level.

The Department of Local Government, Planning, Sport and Recreation (DLGPSR) released a new grant and subsidy program, which commences in the 06/07 year. The funding includes $700 million over 5 years plus another $100 million fund towards infrastructure to celebrate the 150th anniversary of Queensland. DLGPSR changes to the grants and subsidy scheme included a pool of $5 million per annum capacity building and regional collaboration and an environmental infrastructure program of $20 million per annum. These two programs are in response to specific needs identified and lobbied for by LGAQ.
TAXATION AND REVENUE

LGAQ has worked closely with the Department of Natural Resources and Mines (DNRM) and DLGPSR in relation to the use of site values for urban areas. Currently the progress of this initiative is at a stand still with the Office of State Revenue looking at the implications for its taxing regime using site valuations. Other valuation reform issues LGAQ responded to in the last twelve months include rating of land under dams and rating of resort islands. A very successful series of rating workshops and a rating seminar were delivered by LGAQ. Over 300 councillors, CEOs and staff have received face to face training to assist in structuring appropriate rating methodologies for their communities. The LGAQ rating service also provided direct assistance to individual Councils with the structuring of the methodologies through Morton Consulting.

FINANCE AND GOVERNANCE

LGAQ staff worked on a steering group including DLGPSR, Local Government Managers Association (LGMA), LGAAQ, Audit Office and local government representatives to develop and deliver resources to assist Local Government implement new International Financial Reporting Standards. Resources have been developed and training organised through the actions of this steering group.

LGAQ has also actioned a number of elements from the Administrative Management Application Program (AMAP). These include an online resource for audit committees within local government and the asset management, “From the Backroom to the Boardroom”, initiative. A steering group of industry partners has been established for the asset management project. An action plan has also been developed and initiatives commenced. The signing of an MOA of industry partners has been undertaken and development stage for the LG Asset program has commenced on the interstate STEP program.

One of the 2004 conference motions lead LGAQ to develop a discussion paper relating to a review of the Local Government Act. Councils were consulted and a position paper completed for presentation to the August Executive meeting. This position paper will then be forwarded to the Minister for Local Government and Planning, formally seeking a review of the Local Government Act 1993.

The People and Performance Branch developed a Diploma of Local Government - Governance and Administration qualification. Policy and Representation Branch staff has assisted with the development of the program and the assessment documentation.

The Finance and Governance Reference Group met three times during the period and provided valuable input into issues such as the International Financial Reporting Standards, review of the Local Government Finance Standards and the Local Government Regulations.

LGAQ is one of four partners contributing to research on regionalism. Three PhD students have developed a research program around 5 projects in Central Queensland to analyse the interaction and outcomes of the governance/engagement processes. The Association is represented on the steering body and spoke on the relevance of state government engagement at a seminar for this research at the University of Central Queensland.

The state government is hosting the United Nations International Conference on Engaging Communities and LGAQ has been part of the steering committee that has organised the conference. LGAQ staff have been placed on the conference workshop agenda and the President, Executive Director and Director of Policy and Planning invited to participate in the major panel session.
Governance

REPRESENTING THE COMMUNITY

LGAQ has developed a community engagement strategy and framework and completed a series of workshops around Queensland as part of the associated action plan. Almost 300 Councillors, CEOs and staff have completed the one-day training. This included a number of days to assist the awareness of community engagement in relation to Natural Resource Management. Online resources and case studies have also been documented as a council reference resource. LGAQ received the IAP2 Australasian Award for developing the strategy.

The success of this initiative has prompted a need for more workshops and the planning of accredited training.

LAMP

The Local Area Multicultural Partnership Program (LAMP) has provided LAMP workers with two LAMP CAMPS, training and skills workshops during the year. The program won the inaugural Federation of Ethnic Communities’ Council of Australia Award for local government contribution to cultural diversity. Sixteen councils participated in the program. Many resources have been developed during the year including a guide for migrant settlement. A forward plan has been developed for the program.

One of the current activities of LAMP is to work directly with the Youth Policy Project Officer on multicultural youth issues and develop resources for both community development sectors.

The Hon Chris Cummins MP, Minister for Small Business, Information Technology Policy and Multicultural Affairs will be launching a publication on the LAMP project at the 2005 LGAQ Annual Conference.

Community Development and Human Services

COMMUNITY DEVELOPMENT

A very successful Youth Development Conference was held in Brisbane. Feedback from this conference and other initiatives such as a Youth Development Officer skills audit was completed to align LGAQ assistance and support to the direct needs of council staff.

The August 2005 Youth Development Conference was hosted by Longreach Shire Council and record numbers attended.

ARTS AND CULTURE

Arts Queensland commenced a review of the Regional Arts Development Fund during the last few months. LGAQ has been active in assisting in the appointment of a review consultant and providing information on the review to local government.
HUMAN SERVICES

LGAQ has worked with the State Library on the reforms recommended in the Lunn Review. The progress has been very slow prompting LGAQ to revisit the recommendations as a way forward to managing the change processes. In response to the Lunn Report, the State Library has put forward a regional model for libraries. Currently LGAQ is working closely with councils and the State Library to clarify roles, responsibilities, commitments and funding. A new library software system has been implemented in Dalby/Wambo Library as part of the NTN initiative. The Dalby/Wambo Library and LGAQ hosted a showcase on both the proposed regional model and the Spydus software to other council librarians from the area.

Over the last few months LGAQ has worked with the Department of Housing on surveying councils on the issue of affordable housing. The results of the research will be an excellent resource to position local government in the area of policy and their service role in relation to supply of affordable housing.

Environment and Planning

ECONOMIC DEVELOPMENT

The LGAQ’s Local Government Economic Development Assistance Strategy developed in mid 2003 is continuing to be pursued, albeit at a slower pace than planned.

After lengthy lobbying the Association has been successful in attracting funding from the Department of State Development and Innovation for the creation of the Local Economic Development Liaison Officer to be based at Local Government House for a three-year period. However, appointment of the officer has been significantly delayed pending the finalisation of the approval processes by the Department. It is expected that the position will be operational by the end of September 2005.

The appointment of the officer will enable the LGAQ to provide an enhanced capacity in providing economic development advice and support to councils.

PLANNING AND DEVELOPMENT

The past 12 months has seen the LGAQ continue to play a pivotal role in assisting councils in planning and regulating the future development of their local and regional communities. Action has been taken to represent local government on a number of key policy developments in the areas of planning, building, native title and cultural heritage.

REGIONAL PLANNING

This last year saw the creation of the Office of Urban Management and Infrastructure providing a re-focus by the state government on regional planning. This was a very significant reform for local government and the LGAQ played a central role in the reform process. Action was taken to actively engage the state and local governments in the development of the regional planning governance structures with the aim of achieving an appropriate balance between regional outcomes and local autonomy. The LGAQ also pressed for significant funding to support the implementation of the plan.

Representations were also made to seeking assurances that the planning issues of the other regional areas of Queensland were also addressed.

Lobbying is continuing to ensure state government departments and agencies comply with the SEQ Regional Plan and Infrastructure Plan.
ONLINE DEVELOPMENT ASSESSMENT

Representations by the LGAQ have resulted in DLGPSR receiving $6 million funding in this year's budget for online development assessment. The development and implementation of the project over the next 3 years will closely involve the LGAQ.

The ‘Smart DA’ project offers the potential to greatly improve the efficiency and effectiveness of council development assessment systems, including referrals to state agencies.

LOWER COURT AND DISPUTE RESOLUTION COSTS

The costs of planning and development appeals continue to be a major concern for councils and the Association has undertaken action in two main areas in relation to this issue over the last year.

Upon consideration and recommendation by the LGAQ's Planning and Development Reference Group, the LGAQ initiated a study on best practice approaches to Integrated Development Association Systems (IDAS), including dispute resolution processes. Guidelines will be available to councils in September 2005.

The LGAQ also undertook significant work in responding to the state government's proposed establishment of the new Land and Environment Court. The LGAQ's lobbying on the issue centres around two main reforms:

1. The removal of the provisions in the Integrated Planning Act (IPA) that allow information to be considered in a hearing other than that considered by the council when making a decision on development proposal, and;
2. A much stronger role of the court in identifying the key issues of dispute and limiting hearings to only those issues.

PLANNING ASSISTANT'S COURSE

To assist in resolving problems associated with the shortage of town planners, LGAQ has taken the initiative and introduced a Planning Assistant's course. The course is a lower level qualification than that required to be a planner. However, it aims to produce technically qualified people that are capable of assessing and approving basic applications.

The work is being undertaken in close co-operation with the Queensland branch of the Planning Institute of Australia (PIA) in accordance with the MOU LGAQ and PIA signed in late 2003.
DEVELOPMENT ASSESSMENT FORUM

The draft best practice development assessment principles proposed by the national Development Assessment Forum (DAF) have been actively opposed by the LGAQ in that a number could result in an erosion of the autonomy of local government.

In particular, the LGAQ has strongly opposed the proposed principle of removing councillors from the development assessment process.

BUILDING

Council concerns in relation to the building certification system appear to be reducing.

However, monitoring of the system over the last year has revealed that there remain a number of ongoing issues despite the amendments to the system of building certification recommended by the LGAQ's 2001 review into Building Certification.

With support provided by the DLGPSR, it is planned to undertake a series of regional workshops through 2005/06 to clarify the issues of local government and develop a strategy to address them.

NATIVE TITLE AND INDIGENOUS CULTURAL HERITAGE

Funding provided by the federal Attorney General's Department to address native title issues is now being provided to regional groups rather than individual councils to facilitate coordination on a regional basis.

LGAQ was requested by the Attorney General to act as the regional representative for a number of council groups on a trial basis. The model has LGAQ as the primary contact point and undertaking a coordinating role while legal advice is still provided by the group's legal representative. The model's aim is to provide efficiencies sought by the Attorney General whilst ensuring local government continues to have access to the level of representation it needs.

LGAQ representations have resulted in the federal AG's funding the Native Title Project Officer position up until 30 June 2006 to regionally coordinate local government action in relation to native title issues.

ENVIRONMENT AND HEALTH

Queensland local government now spends over $1.8 billion per year on environmental protection and Natural Resource Management (NRM) and its role continues to evolve. LGAQ action in this area over the last year has included representing local government on a number of key foreshadowed policy developments by the state and commonwealth governments. Councils have also continued to call upon the LGAQ to undertake a range of lobbying and representational activities in relation to environment protection, natural resource and waste management and public health.
ENVIRONMENT CONFERENCE

The Association continues to build the capacity of local government to address key environmental management issues and action in this area has included the annual Environment Conference 2005, held in the “Environopolis” of Gladstone.

This year's focus was on sustainability and Natural Resource Management. While attendance numbers were slightly down on the 2004 conference held in Cairns, a higher percentage of councillors attended and feedback received was very positive.

Next year's conference is to be held in Longreach in mid-July 2006.

ENVIRONMENTAL PROTECTION ACT REVIEW

The last year has seen the LGAQ continue to devote significant resources in further pursuing the joint LGAQ/EPA review of the roles & responsibilities project initiated in 2003.

The project seeks to refine the current environmental regulatory roles and responsibilities of councils and the EPA and is being undertaken in partnership with them. The project was initiated in response to the continuing environmental protection regulation jurisdictional issues impacting on local government and the EPA.

The project aims, as far as practical, to enable local governments and the EPA to collaboratively achieve outcomes expected by the communities they represent and to achieve the most environmentally effective allocation of available resources.

A comprehensive package of proposed amendments to the current regulatory system has been developed over the last year and is due by the end of August 2005. Extensive local government consultation is underway to ensure the Association properly reflects and represents member's views.

In addition, a revised MOU between the LGAQ and the EPA has been released to councils for their review and comment, and will soon be finalised. In addition, the Association has worked to develop Regional Environmental Protection Partnerships to develop a closer working relationship between regional EPA offices and the individual local governments within those regions, to facilitate more efficient environmental protection regulation.

NATURAL RESOURCE MANAGEMENT

The Association has continued the rollout of the NRM Capacity Building Project, a three-year project aimed at supporting local government participation in improved natural resource management. The project is primarily resourced by the federal government via the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust Mark 2.

Action has been undertaken to support all 157 local government and community councils, with the first year delivering local and regional workshops, training seminars and publications.

The last year has seen the project delivering exceptional results. Awareness workshops have been undertaken with the majority of councils and guidelines on NRM and corporate planning have been released. Workshops on the guidelines will be offered later in 2005. The project and its achievements are very well regarded by both the state and federal governments.

Action has also been taken on the review of the current framework for regional natural resource management planning to ensure that local government issues are fully considered in line with the Association’s preferred NRM planning framework.

Assistance was provided to local governments in finalising the development of Pest Management Plans and the development of Stock Route Management Plans. Action has also continued to ensure the recommendations of the LGAQ Stock Routes Position Paper submitted to the government in late 2003 are implemented. Agreement was reached with DNRM to fund a cost benefit analysis of Queensland’s stock route management...
arrangements with the aim of reducing the burden of the cost of managing the network on local government.

WASTE MANAGEMENT

The LGAQ became a signatory to the National Packaging Covenant (NPC) in 2000. The National Packaging Covenant is a co-regulatory agreement between industries in the packaging chain and all spheres of government based on the principles of shared responsibility and product stewardship. It applies to consumer packaging throughout the supply chain, from raw materials suppliers, to retailers and the ultimate recovery or disposal of waste packaging.

A review of the Covenant was undertaken over the last year and the LGAQ played a lead role in the development of a national local government position to provide the basis for negotiations on future policy responses to manage packaging waste. As a result, the revised National Packaging Covenant incorporates all of the concerns of Queensland local government. The revised Covenant will be considered at the 2005 LGAQ Annual Conference.

There is also an identified need for local government to play its part in “closing the loop” in relation to recycling by implementing procurement practices that facilitate the purchase of products that have recycled content. A consultancy has been let in partnership with the Environment Protection Agency and Local Buy to determine the business viability of establishing purchasing arrangements offering a range of environmentally sustainable goods.

PUBLIC HEALTH

In recent years, significant effort has been made to introduce food safety reform at the national level. This has included the establishment of the Australia New Zealand Food Authority (ANZFA) and the development of a Model Food Bill, joint Food Standards Code and Food Safety Standards. The Association has continued to participate in the reform of legislation with a focus on food and public health, which will require monitoring, comment and negotiation.

A coordinated local government submission was prepared on the consultation draft of the Food Bill. Action was undertaken to implement the State/Local Government Protocol regarding mosquito control management on crown land. In particular, a media campaign was undertaken over the Christmas period with limited results at this stage. The LGAQ will continue to pursue this important issue.
Roads, Transport and Infrastructure

NATIONAL ROAD AND TRANSPORT ISSUES

Funding

Federal government road and transport policy and funding issues has yet again proved a key focus for the Association in the last twelve months.

Continuing the push for more funding for Queensland’s section of the national highway, the joint LGAQ and RACQ’s Mayors and Motorist Campaign continued its journey across the state in the mid to latter half of 2004.

Shortly after in September, the Hon John Anderson, Deputy Prime Minister and Minister for Transport and Regional Services announced the federal government’s pre election Transport Policy Plan Building our National Transport Future. In effect, the plan set out $650 million over five years in extra funding for Australia’s roads, on top of the $11.8 billion committed in the Auslink White Paper.

Thanks in no small part to the efforts of the Mayors and Motorist Campaign, Queensland faired well, with approximately $130 million being identified for the national highway network (outside South East Queensland) and other key transport initiatives.

A couple of months on, in December, draft Auslink legislation was tabled. The draft legislation was still mainly at the broad principles level, but did outline the six project funding categories including three of particular interest to local government, namely - AusLink Strategic Regional Projects, AusLink Black Spot Projects, and the AusLink Roads to Recovery Program.

With the arrival of 2005, the federal government found itself under increased pressure in relation to its spending decisions under the Auslink Strategic Regional Component, with almost three quarters of the funding having been allocated in pre election commitments.

In March, the Association worked in collaboration with ALGA and other State and Territory Associations in making representations to the Deputy Prime Minister suggesting that “the Australian Government increase the total funding for the Strategic Regional Component of Auslink to $400 million. This amount would be in line with the original sum proposed for the Roads to Recovery ‘strategic pool’ and could be distributed equitably between all state and territories, and then within each jurisdiction, on a competitive basis”.

Unfortunately, the federal government was not open to this course of action, and further still in May, the Senate Committee Inquiry into the AusLink legislation released its findings, with little or no substantial recommendations for change.

Still in May, the Federal Budget was announced along with council’s Roads to Recovery funding allocations. Whilst the program formula remained the same, variation in Roads to Recovery allocations occurred due to more recent local road assessment data being made available by the Local Government Grants Commission in each state.

By the end of the financial year, the Auslink Legislation had been passed ensuring a seamless transition to the new Roads to Recovery arrangements.

Rounding off a hectic 12 month period, in July, ALGA’s Local Roads and Transport Congress was convened in Launceston in Tasmania.

The most notable issue at the Congress was that of a “national local roads strategy” and the indications from federal government representatives that a national strategy would be needed if local government was to be successful in securing future funding programs such as Roads to Recovery Mark 3.
Policy and Planning

The Association has continued to be involved in various roads and transport issues at the national level through our participation in ALGA's Roads and Transport Advisory Committee (RTAC), namely;

- The development of a Local Roads Data and Shared Services Project
- Local Government Asset Management Initiatives, and
- National Local Roads Congress

In particular, as a member of RTAC the Association worked through progress on the National Local Roads Data System (NLRDS) and National Local Roads Information Project (NLRIP). With the NLRIP, RTAC recognised that LGAQ and Municipal Association of Victoria will continue to be the primary drivers of the project.

QUEENSLAND ROAD AND TRANSPORT ISSUES

Funding

The Association welcomed the 2005 State Government budget, which included funding commitments for major state and local government infrastructure and provided a significant response to key issues raised with the government by the LGAQ in recent years.

The increased infrastructure spending was welcomed in both the south-east corner and regional Queensland. The budget committed funding to commence works outlined in the South-East Queensland Infrastructure Plan including water, sewerage and water recycling infrastructure and has boosted its outlays in regional Queensland with 60 per cent of its overall capital budget allocated to areas outside the Brisbane region.

The state government also honoured its commitment to increase grants and subsidies to Queensland councils. The LGAQ had sought increased grants and subsidy funding for infrastructure and the state responded by providing $700 million over five years.

This funding includes $60 million over three years for environmental health infrastructure, $50 million over five years for water loss and consumption reduction and a further $25 million over five years to encourage regional collaboration in local government.

The increases in funding are consistent with the findings of an independent assessment of funding for roads and public transport infrastructure in Queensland recently commissioned by LGAQ. Professor Alan Layton and Mr Alan Morton produced this assessment in June 2005 as an update of a 2002 study for LGAQ that examined mechanisms to fund Queensland's roads and transport infrastructure.

The 2005 report found the state government is spending an additional $700m on roads and transport in 2005/6 or a 102% increase on two years ago. That figure rises in the three subsequent years by an additional $300m a year. The LGAQ commends the state on this increase but also recognises that additional funding is still required for infrastructure across Queensland and in particular higher order Australian and state road networks.
ROAD MANAGEMENT AND INVESTMENT ALLIANCE

During the last 12 month period the Roads Alliance has made considerable advancement. The LGAQ, Main Roads Department and Regional Road Groups (RRG) have progressed:

- Asset management system implementation
- Data collection on the LRRS
- Investment strategy development
- Calculation of committed LRRS funding
- Project Prioritisation
- Finalisation of one year regional works programs for 2004-05 and 2005-06 and progress towards the development of a five year regional works program.
- Various training and capability initiatives funded from the Roads Alliance Capability Fund.

The culmination of this work was the November 2004 release of the Roads Implementation Program (RIP) incorporating for the first time, the Roads Alliance Addendum. The Addendum provided works program priorities for the Local Roads of Regional Significance developed by each Regional Road Group. The RRG works programs also included a short profile on each group, outlining their membership, major challenges and program priorities.

Other Roads Alliance highlights included:

1. The introduction of the Roads Alliance Excellence Awards.
2. The development of @lliance information bulletin.
3. The finalisation of key documents.

- Road & Bridge Asset Management Kit Addendum
- Program Development Process
- Project Prioritisation Methodology
- Road Safety Risk Management Methodology and Process

Unfortunately, in March the Association was advised by the Federal Department of Transport and Regional Services (DOTARS) that our funding submission seeking $150,000 towards the development cost of the Roads Alliance Hub was unsuccessful. The aim of the Hub is to store, aggregate and report data on the Local Roads of Regional Significance. The Association is still pursuing this project in collaboration with the Department of Main Roads.

Finally, and most importantly, as part of the Association’s work on the Roads Alliance, the LGAQ made representations in June to the Minister for Transport and Main Roads, the Hon Paul Lucas MP for an additional $20 million in Transport Infrastructure Development Scheme (TIDS) funding for works on the Local Roads of Regional Significance. A response is still awaited.

ROADS SAFETY ACTION PLAN

The Association has continued to work closely with Queensland Transport in the implementation of the Queensland Road Safety Strategy through formal representation on the Queensland Road Safety Committee. The Association will also shortly be receiving a formal, written invitation by Queensland Transport’s Director General to join the Queensland Road Safety Partnership Agreement which includes cosignatories from the Department of Emergency Services, Queensland Police Service, Department of Main Roads and Queensland Transport.
ROADS OFF ALIGNMENT

At the 2005 Infrastructure Symposium the Association launched the 'Roads Off Alignment and Undedicated Roads: Guidelines for Local Government'. The guidelines have been developed in collaboration with DNRM to assist councils overcome many of the issues surrounding these roads.

The guidelines outline the administrative options for councils to pursue when addressing a road off alignment or undedicated road. The focus is on minimising the cost for council on priority cases.

The LGAQ acknowledges through the guidelines that not every case can be rectified by councils in this low cost manner. Consequently the Association has initiated discussions with state government agencies to identify how and when councils can seek assistance in addressing such problem cases.

INAUGURAL INFRASTRUCTURE SYMPOSIUM

On April 18-20 2005 the Association held the inaugural Infrastructure Symposium at the Brisbane Convention and Exhibition Centre. More than 550 representatives from over 100 councils, district local government associations, Regional Organisation of Councils, and state government agencies attended the inaugural event.

This year the Association combined the annual Roads and Transport Forum with the Water and Waste Water Forum to provide local government with a one-stop-shop for information on infrastructure development and financing.

The theme for the three day Infrastructure Symposium was “Plan, Maintain, Sustain”. The underlying message focused on how local government can better manage the business of infrastructure delivery in an efficient, cost effective and sustainable way. Effective asset management and infrastructure funding was also featured in the conference plenary sessions.

Highlights included addresses from the Honourable John Anderson MP Minister for Transport and Regional Services, Paul Lucas MP Minister for Transport and Main Roads, and Terry Mackenroth MP Deputy Premier, Treasurer and Minister for Sport.

REGIONAL AIRPORTS

The LGAQ have been in discussion with the Local Government Airport Operators Association (LGAOA) concerning their future role and the possibility of LGAQ taking up policy issues on behalf of council airport operators. The Executive have subsequently met and endorsed the LGAQ offer to undertake airport policy and representation roles on behalf of member councils.

Disaster Management and Planning

LOCAL GOVERNMENT COUNTER TERRORISM RISK MANAGEMENT KIT

The Local Government Counter Terrorism Risk Management Kit was developed in collaboration with the state government as a practical guide to develop local governments' capacity to assess and incorporate counter-terrorism considerations into their disaster management arrangements. The Kit was launched in 2004 and has now been rolled out via a series of workshops across the state.

A total of 14 workshops were conducted around the state from March to June 2005. The workshops were conducted by facilitators from the Department of Emergency Services and the Queensland Police Service with assistance from the LGAQ.

The workshops were well received and were attended by 233 local and state government representatives. Most local governments attending commented favourably on the kit’s easy-to-use approach and the focus on incorporating the process within existing disaster management arrangements. They also commented favourably that the process could be used to address wider security related issues and was not simply limited to threats involving terrorism.
THE DISASTER MANAGEMENT ALLIANCE

An alliance between the State of Queensland through the Department of Emergency Services and the LGAQ on behalf of local government has been formally established with the signing of a Memorandum of Agreement in July 2005.

This partnership has been established to build upon existing collaborative arrangements in order to effectively implement disaster management reforms arising from the Council of Australian Governments (COAG) review into natural disasters in Australia. To complement the COAG reforms, the state government enacted the new Disaster Management Act, 2003.

These national and state reforms introduce a cultural change in the way disaster management issues are dealt with by local government, most notably through:

- An emphasis on preparedness and mitigation not just response and recovery;
- Encouraging a corporate mainstream approach to disaster management; and
- A restructure of the Queensland disaster management system around local, disaster and state disaster management plans.

To assist local government with the implementation of these reforms, the Association has secured funding under the Natural Disaster Mitigation Program for the LGAQ Disaster Management Capability Development and Implementation Project that will operate for the next three years.

MEMORANDUMS OF UNDERSTANDINGS/AGREEMENTS (MOU/MOA)

Since Annual Conference 2003, LGAQ has committed to new or revised Memorandum of Understandings/Agreements for the following;

- MOA signed with the Department of Emergency to formally launch the Disaster Management Alliance between the Department and LGAQ representing local government.
- MOU signed with the Queensland Water Directorate in delivering technical and policy advice to local government.
- Queensland Transport MOU signed updating the original 1998 document. This MOU guides the dealings between both organisations as it relates to the planning, co-ordination, and provision of transport services and associated infrastructure.
- Partnership Agreement for an Ongoing Cooperative Relationship to be signed shortly following receipt of formal invitation to join from Queensland Transport. This agreement is intended to facilitate close cooperation between state and local government with a view to delivering mutually beneficial whole-of-government road safety outcomes.
WATER REFORM AND MANAGEMENT PROGRAM

The Association has been actively refining its involvement in responding to water related issues during the last year. In particular this has involved developing a close working relationship with the Queensland Water Directorate (QWD). Key activities in the last 12 months have included:

- MOU signed with the QWD in delivering technical and policy advice to local government on water issues and act collaboratively in representations to the state government.

- Development and executive endorsement of the LGAQ Discussion Paper “Sustaining our Urban Water Supplies” addressing emerging issues in relation to the sustainable provision of urban water and waste-water services in the context of state and national frameworks, policies and programs. Joint agreement reached with the EPA on a state-wide Load Based Licensing Policy.

- Finalisation of the Queensland water reporting project plan known as the State-wide Water Information Management Project (SWIM) developed partnership with the Department of Local Government Planning Sport & Recreation (DLGPSR), Natural Resources and Mines (DNRM), Environmental Protection Agency (EPA), the Government Statistician, the LGAQ and QWD.

- Representation on the Rural Water Pricing Group, Queensland Water Recycling Strategy (QWRS) Coordinating Committee and the recently formed Queensland Water Efficiency Taskforce (QWET).


- Preparation and distribution of a water conservation publication to councils state-wide.
Business Support Branch

The Business Support Branch is structured around three strategy offerings:

Business Operations

LOCAL GOVERNMENT HOUSE

Situated at 25 Evelyn Street Newstead, Local Government House represents the LGAQ’s most valuable asset with such value continuing to grow along with new development and renewal programs within the Newstead precinct.

As well as providing cost effective accommodation for LGAQ opportunities, Local Government House provides accommodation for strategic business partners and Local Government professional associations including:

- Jardine Lloyd Thompson
- Local Buy Pty Ltd
- Resolute Information Technology Pty Ltd
- Institute of Public Works and Engineering Australia Queensland
- Australian Institute of Environmental Health

FINANCES

Appendix 3, Annual Accounts, contains the Associations consolidate and audited financial statements for the year ending 31 May 2005. Attached to these “General Purpose” financial statements is an unqualified audit report signed by the Auditor General of Queensland.

The LGAQ audit committee, current composition being (Mr G Grundy (Chair), Mr S Fynes-Clinton (Barrister), Ms K McDonald (Director, KM Management Consulting), Cr Paul Tully (Executive Member)) met on four occasions during 2004/2005 and has endorsed the published accounts.

The Statement of Financial Performance reports a net result of $396,000 after removing grant revenue and expenditures. This is a positive result as the 2004/2005 budget was balanced.
We have entered the 2005/06 operational plans into OutcomeManager© under the BSC framework of Customers, Innovation and Growth, Business Process and Financial.

Our current operational plans are detailed under a branch hierarchy the new operational plans planned for the end of this financial year will reported under the BSC framework and will be generated straight from OutcomeManager©.

All staff will enter their achievements into OutcomeManager© then performance reports will be generated on a summary level for Executive, Committees, etc. and at detailed level for Directors.

Presently we report to the Executive through our Branch Corporate Plans and Program Statements with a six monthly status report. These documents will need to change once we start generating information out of OutcomeManager©.

At this stage we do not see the format of presenting Business Papers to the Committee's changing however updates will be generated out of OutcomeManager©.

Training for all staff will commence in house straight after conference.

**Commercial Services**

LGM QUEENSLAND

**Membership of LGM Queensland** continued to grow during 2004/5. Membership now includes 124 of the 125 local governments, 7 ATSI local governments and 26 local government related bodies. It continues to be the case that since LGM's inception in 1993 no member has left the scheme. During the year LGM continued to address secondary impacts of the public liability insurance crisis on councils by developing a facility to provide public liability cover for lessees of council swimming pools. The absence of any recognised insurer providing this cover had created difficulties for a number of councils.
LGM has again offered members a secure source of public liability and professional indemnity cover and a stable cost environment. Despite some lingering uncertainty in the private liability insurance market, LGM was able to limit contribution increases in 2004/5 to an average of 4%. Once again, participation in the national local government reinsurance purchasing program provided significant assistance in maintaining contributions at very reasonable levels. The deficit in accumulated member funds had fallen to $109,102 as at 30/6/04 and it is anticipated that the audited accounts for 2004/5 will show a small, accumulated surplus.

During the year considerable effort was again devoted by the scheme manager, Jardine Lloyd Thompson, to assisting members enhance risk management performance. Annual returns forwarded by members as part of the Risk Chase assessment and benchmarking program show an improvement in the implementation of risk management strategies. Members participating in the Risk Chase program received a 1% contribution discount.

LOCAL GOVERNMENT WORKCARE

The consistent performance of Local Government Workcare (LGW) once again allowed members to benefit from significantly reduced workers compensation costs. In addition to a small reduction in the average contribution rate, LGW provided all members with a 20% discount on 2004/5 contribution amounts. This resulted in a combined saving of more than $2.8 million for members. 70% of LGW members now have a workers compensation rate that is less than half of the rate they were paying prior to commencement of the self-insurance scheme. These benefits have been provided in conjunction with LGW maintaining very strong financial reserves.

LGW continued to pursue its strategy of achieving cost savings for members through delivery of high quality services. Particular emphasis was again placed on resolution of common law matters and claims relating to psychological (stress) injuries. A complete revision of the workplace health and safety section of LGW’s web site has provided members with access to extensive resources designed to support the SAFE PLAN safety management system. Implementation of SAFE PLAN continued to be facilitated by delivery of recognised internal workplace health and safety auditor training at no cost to members. To date 134 officers from 92 councils have been trained. The strong emphasis on quality services has contributed to LGW again significantly out performing state averages for all major claims management and cost indicators published by the workers compensation regulatory authority.

LOCAL GOVERNMENT INFRASTRUCTURE SERVICES CORPORATION (LGISC)

Following an annual conference resolution and market research by Queensland Treasury Corporation (QTC), the LGAQ Executive has considered a joint feasibility study conducted by officers of the LGAQ and QTC. This study examined the merits of establishing Local Government Infrastructure Services Corporation as a separate entity jointly owned by LGAQ and QTC to advise and assist Queensland councils in procuring Infrastructure providers and advisors.

It is proposed that this service be formally launched at the 2005 annual conference.
LOCAL BUY PTY LTD

The Board of Directors of Local Buy (listed below) met on six occasions during 2004/2005. Year end financial statements (not yet audited) revealed a profit in line with revised budget expectations. The Board declared a dividend of $300,000 for the financial year. Local Buy financials are consolidated with LGAQ financials in appendix 3 to this report.

Board Members:

- **Mr Graham Grundy** - Chair
- **Cr Paul Bell** - AM
- **Mr Greg Hallam** - PSM
- **Mr Bill Simpson**
- **Mr Ian Leckenby**
- **Mr Mick Fullelove** - appointed in June 2005
- **Ms Eleanor Jackson** - General Manager

Local Buy undertook a review of the business in February 2005 and developed a strategic plan for the next three financial years based on forecast outcomes in a balanced scorecard format. Operationally Local Buy has consolidated its contracts and spent considerable time on improving internal business processes and ensuring the business is demonstrating best practice in contracting for local government. Additionally investigation of a number of new procurement initiatives is underway.

RESOLUTE INFORMATION TECHNOLOGY PTY LTD

Resolute is a wholly owned subsidiary of the LGAQ delivering Information Technology (IT) services and solutions. Its main focus is Queensland local government.

The Board of Directors, which generally meets monthly, has the following members:

- **Ms Kathryn McDonald** - Chair
- **Mr James Barclay**
- **Mr Greg Hoffman** - PSM
- **Mr Ian Leckenby**
- **Mr Bill Simpson**

Resolute was formed in June 2004, bringing together
staff from several small project groups and DDS consulting. Over the last year Resolute has delivered some significant projects using leading edge technologies. These include:

- LGOnline for Qld councils - development and maintenance;
- ATSI councils portal - development and maintenance;
- Finance One solution for ATSI councils - implementation and maintenance;
- IT infrastructure support for a number of councils and private sector clients.

The company has planned for continued growth. Whilst not compromising its focus and commitment to the local government sector Resolute will continue to grow its services in the private sector and other layers of government where our existing expertise can be exploited. Resolute has a commitment to attracting and retaining high quality staff as they are crucial to its success.

The year ended 31 May 2005 was an extremely busy year, which is reflected in the results. Resolute declared a dividend of $450,000 payable to LGAQ.

Resolute’s financial statements have been consolidated with LGAQ financials in appendix 3 to this report.

Following representations from a number of the smaller regional Councils, the LGAQ has negotiated a business solution with a range of third party providers which will provide smaller councils with the same software tools as utilised by fourteen of the larger Queensland councils.

This solution will be built around Technology One software and delivered online using the internet.

The final LG ONE package not only solves that problems highlighted by Councils in relation to existing systems but also recognises issues raised during LGAQ’s extensive tour of the state over a three month period where LG ONE was demonstrated and discussed with sixty nine Councils.

With only a few Councils saying a definite “no not ever” to LG ONE, LGAQ is confident that a successful rollout (over the next 18 months) of the solution to the early adopters will see the large number of Councils who wish to “wait and see” come on board during 2007 and onwards.
In line with the Associations agreement with councils, subscribing councils are presented with an annual opportunity to comment on the future direction of the service. Feedback from councils has fallen broadly into three key areas:

1) Further improvements to the LGOnline website including improved customisation and personalisation, expanded access to other information sources and additional online services.

2) Suggestions for additional online functionality for council websites and other associated online tools.

3) Suggestions for collective bargaining arrangements to include other online information sources and tools that councils presently pay additional subscriptions for, or which councils would like to see developed.

Statistics for the operation of LGOnline include the following:

- 5512 registered active users
- 420 Circulars & 96 News releases posted to the site
- 70 council websites deployed or in production
- Over 14,000 pages of content
- 52 LGOnline Awareness training sessions for council staff
- 167 service improvements
- 8 regional user group meetings

With the milestone of the first 12 months of commercial operations passed in June 2005 LGOnline has already recorded a number of significant achievements.

The primary goal of LGOnline is to create a central and authoritative information source for Queensland local government along with access to a suite of online tools.

With a significant investment in new technology, LGOnline is also helping subscribers get to the information they want, when they want. Personalisation and customisation are hallmarks of this new service.

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- Over 14,000 pages of content
- 52 LGOnline Awareness training sessions for council staff
- 167 service improvements
- 8 regional user group meetings
Feedback this year has reinforced that the majority of councils are supportive of continuing with a focused approach to promoting local government, and believed the week to have been a successful event.

Pleasingly there was a 20% increase in the number of councils organising to run additional promotional activities in addition to the traditional colouring competition.

Furthermore, 62% of councils are now allocating funding to help support the event.

The colouring competition for primary school students continues to attract the participation of the majority of councils, with 50% of councils reporting the ‘best ever’ response from local students.

Media coverage although down on the high of 2004 continued to be strong with 121 items, including 22 broadcast items recorded for the month with FNQ and WQ reporting the highest levels of coverage.

COMMUNICATIONS & MARKETING

The Association developed a new Marketing and Communications Plan (2005-2009) which aimed to build on the foundation laid by its predecessor and which was scheduled to expire in 2005.

LGAQ’s mission is: To strengthen the ability and performance of local government to better serve the community.
The goal of the Association's marketing and communication strategies is to: Maximise the effectiveness of the LGAQ by identifying, marketing and promoting the LGAQ's products and services, in a planned, integrated and contemporary manner, to our target markets in line with the Association's mission; and to raise awareness and understanding of the role of local government within Queensland.

Unlimited access to LGOnline is now provided to staff and elected officials of all subscribing councils. Council Leader has been improved and continues to be provided free of charge to all mayors and councillors as to does the quarterly Councils' Newsbrief which is produced following each Executive meeting.

The Association's media presence continues to be managed by the President and Executive Director and in addition to their regular media comment and perspectives also oversaw the larger state-wide 'Mayors & Motorists Against Road Carnage and Congestion' and 'Asbestos' campaigns.
General

INTERACTION WITH MEMBER COUNCILS

The Branch continued to receive very high volume of phone calls and contacts from councils seeking advice on award, training and staff management matters. Apart from this contact, and the numerous meetings at conferences, training programs and forums around the state and in LGAQ House, members of the branch in the preceding 12 months have been engaged to perform a service on-site in over 65 councils across the state, with many of these councils utilising the services of Branch staff on-site on repeated occasions.

PUBLICATIONS

The Branch issued 33 circulars to councils providing updates on award and legislative variations and developments as well as distributed quarterly WR Bulletins which provided important information and updates on significant Commission and legal decisions and cases that might have implications for councils as employers.

The Industrial Relations Advice manual and updates continued to be sought after by councils to complement the phone and email advices provided through the circulars and bulletins.

Building Workforce Capacity

IMPROVING THE POSITIONING OF LOCAL GOVERNMENT IN THE EMPLOYMENT MARKET

LGAQ workforce surveys conducted throughout 2004/5 firmly supported the LGAQ-espoused necessity for local government to adopt a more aggressive approach to positioning itself in the employment market in order to ensure its continuing ability to attract skills to the industry.

Survey also confirmed that over 70% of councils had experienced difficulty in filling vacancies with a greater percentage confirming their concerns over filling future vacancies.

In response, the LGAQ has advanced a number of the initiatives ensconced in its workforce positioning strategies viz. Review of CEO Recruitment and Retention Issues for Remote and Rural councils and Strategy to address emerging challenges for the Local government workforce, with some surprisingly early positive results beginning to emerge.
MARKETING LOCAL GOVERNMENT

Local government has been actively promoted amongst tertiary institutions through the development of relationships with, and the distribution of materials to, career guidance sections of universities and colleges. LGAQ is now on the invitation lists for, and has attended a number of, career and students nights conducted by several university faculties in industry disciplines required by local government.

A number of representations have been made to the state government seeking improved portability between tiers of government as well as access to the State Government Vacancy Advertising medium.

LGO Online as well as the LGAQ website have been redesigned to include a more marketable 'careers in local government' site which both promotes local government employment as well as providing councils the opportunity to list current vacancies. This has been a successful initiative with the careers section recording some of the highest level of traffic on the two web sites.

In its commercial activities, the revamped approach to advertising jobs particularly CEO positions has reaped dividends with an approximate 15 to 20% increase in the number of candidates for advertised positions.

QGRAD

Through a partnership with Graduate Programs Australia, a private sector company specialising in graduate recruitment, QGRAD was developed to serve as a graduate recruitment program for local government. QGRAD was designed to promote local government as an employer of choice within the tertiary sector as well as attract quality graduates to participating councils.

QGRAD was actively marketed electronically, in the print media as well as through direct distribution to students across Australia and had reached a minimum of over 300,000 tertiary students. At last count, over 250 students had registered their interest in working with a Queensland council with QGRAD. Independent market research confirmed the effectiveness of QGRAD's marketing of local government as an attractive place to work for its capacity to provide graduates with:

- Comparable working conditions
- An opportunity to contribute to the community
- A workplace that recognizes the need for a good work/life balance; and
- Security in employment and attractive career opportunities.

BONDING AND SCHOLARSHIPS GUIDELINES

Guidelines were developed and distributed to assist councils “grow talent” through scholarship and study assistance arrangements. The guidelines addressed the risks and benefits associated with scholarships and bonding students to a designated period of employment, explained and exampled the range of various scholarship arrangements available and included draft contracts for bonding students to councils.

MIGRANT SPONSORED EMPLOYMENT

Opportunities for migrant sponsored employment in local government have been researched and a paper prepared for consideration by the Executive at its September meeting. The paper identifies five (5) different programs that might assist council meet its workforce needs through migrant employment schemes and proposes a range of actions to advance this option for local government.
EMPLOYMENT ASSISTANCE PROGRAMS

LGAQ continued to promote and administer the entry-level employment and training opportunities available to members through state and federal government policies and programs.

Under the State Government’s Breaking the Unemployment Cycle initiative, LGAQ administered funding assistance for approximately 1200 fulltime and school-based apprentice/trainee positions which were allocated to local governments in the 04/05 financial year. Representations were successful in allowing funding for this program to be used for the engagement of apprentices that has resulted in a significant increase in the number of apprentices employed by local government.

The most pleasing outcome has been the recognition by the Queensland government of the contribution of LGAQ to the success of this program, which has resulted in its continuation in local government for a further two years despite review in other sectors.

Moreover, there has been a significant increase in the engagement of the Association to conduct workplace investigations (including where appropriate mediation and the identification of any systemic issues) for councils. LGAQ staff’s knowledge of local government as well as their expertise in organisational management and employee relations ideally positioned them to conduct such interventions and ensured the credibility and sustainability of their interventions.

Councils have also engaged LGAQ on a range of other activities including salary and organisational reviews, performance management facilitation, as well as job evaluation and moderation.

Human Resource Management

RECRUITMENT AND OTHER HUMAN RESOURCE SOLUTIONS

LGAQ’s recognition in the employment market and its success in the recruitment of talented professionals to the ranks of local government has underpinned the steady number of councils seeking LGAQ assistance in recruiting senior managers during the previous 12 months as well as councils seeking assistance in identifying experienced and capable operatives for short-term stints as Chief Executive Officer.
WORKPLACE RELATIONS FORUMS

The Workplace Relations Forums continued to be very popular with forums conducted in 15 locations across the state with two hundred and seventy-two employees and elected members representing 115 Councils (up from 98 the previous year) attending the forums. The forums concentrated on sector wide contemporary workforce issues as well as providing a forum for open discussion on local workforce issues.

A number of specific-issue breakfast seminars were piloted for the purpose of providing a forum for discussion on a single and specific workforce topic.

HR AND TRAINING AND DEVELOPMENT CONSULTATIVE GROUPS

Quarterly meetings for HR managers and training specialists were conducted throughout state to foster networking, discussions on selected topics and prioritizing of collective HR activities. The meetings were well supported by council representatives and convened in various regional and south-east corner locations.

The annual Human Resource Conference was convened for the first time in a regional centre (Townsville) without any noticeable drop-off in attendance. The conference focused on identifying strategic HR issues for local government as well as showcasing council “HR success stories and initiatives.”

CRIME AND MISCONDUCT COMMISSION (CMC)

There was a significant increase in the number of investigations conducted by LGAQ on behalf of individual councils, especially in relation to matters referred to the CMC or to council from the CMC. These investigations invariably involved performance issues for employees or claims of inefficiency or maladministration against administrative operations units of councils. LGAQ brought to the investigation not only a level of expertise in these matters but also an inherent knowledge of local government operations which added to the credibility to its findings which assisted when matters required interaction with the CMC.

Also, the LGAQ at the invitation of the CMC participated in a number of CMC regional forums designed to assist local governments understand the role of the CMC and the local government's responsibilities in relation to CMC matters.

As a member of the Corruption Prevention Group, LGAQ staff were active in contributing to the CMC corruption prevention and capacity building programs and training packages.

Industrial Relations

ENTERPRISE BARGAINING

In all, the LGAQ assisted with the certification of over 85 Enterprise Agreements for various councils as well as worked with a number of councils in developing an EB agenda prior to their negotiation.

The LGAQ has also been able to provide valuable advice to councils in response to common logs of claims served on individual councils and positioned itself to share intelligence from the above experiences with council’s undergoing or about to undergo enterprise bargaining. LGAQ’s “clause vetting” activity has also minimised risks for councils of having their position later challenged due to deficiencies in the framing of the agreed clauses of their EB agreement.
2005 recorded a marked increase in council’s being threatened with or subjected to protected industrial action as a result of a more aggressive union approach to enterprise bargaining. LGAQ assisted councils experiencing such industrial action with all councils recording their satisfaction with the outcome.

In response to the growing claim of EB fatigue from councils and also from its own observations that councils may not be reaping sufficient return from their investment in Enterprise Bargaining, LGAQ has developed a “refresh approach to EB for local government” designed to shift the general adversarial and trade-off approach to bargaining to a more strategic and facilitative role for EB targeting the achievement of the corporate objectives of the council. The dynamics of this “refresh” approach is to be fine-tuned during its current piloting in a regional council.

INDUSTRIAL APPEARANCES/DISPUTES

LGAQ has continued to represent councils before the State and Federal Industrial Relations Commissions including a number of disputes. These appearances excluding EB and Industrial Agreements issues have invariably involved safety net or award review/adjustment issues or dispute resolution. Disputes have generally centred around award and agreement application or challenges to the legitimate termination of employees from council. Results have been overwhelmingly favourable for councils.

AWARD AND INDUSTRIAL AGREEMENTS REVIEW

Significant resources were expended on representing local government in the State Commissions legislative responsibility to review awards every three years as well as the Commission’s activities to abolish all outstanding Industrial Agreements. In all, over 90 Industrial Agreements for local governments were abolished following in-depth analysis of their continuing application in relevant councils.

UNION APPLICATIONS TO VARY COMMON LOCAL GOVERNMENT EMPLOYEE AWARDS

The Association was not satisfied with the Commission’s decision and has subsequently successfully sought a stay of the decision and submitted a number of appeals against elements of the decision. These appeals were heard by a full bench of the Commission in August with the decision still pending.

The LGAQ has also attended the Commission on a number of occasions to represent councils affected by the ALHIMU pay equity application to vary the Child Care Workers Award. This matter is continuing and is expected to result in some additional costs for councils with LGAQ manoeuvring to both contain the costs where appropriate and ensure the results provide long-term and sustainable benefits for councils.
AUSTRALIAN WORKPLACE AGREEMENTS

There was an increase in the number of councils seeking assistance from LGAQ on the development and registration of Australian Workplace Agreements. These invariably involved irregular work activities and circumstances that made award coverage impractical eg pool management or seeking specific outcomes eg payout of accumulated long service leave. There has also been a noticeable increase in the take-up of Australian Workplace Agreement’s for contracting Chief Executive Officers and senior executives of councils.

SAFETY NET

The Federal Industrial Relations Commission handed down an Award Safety Net increase of $17.00 per week. The LGAQ lodged a submission with the State Industrial Commission in their State Wage Case review for the federal increase to flow on to state awards. Like the federal increase, the anticipated state increase is expected to apply from September.

INDUSTRIAL RELATIONS REFORM

Despite most available resources being diverted towards responding to the union challenges to the existing awards, progress continued on the initiatives prescribed within the strategy “Reforming Industrial Relations for Local Government in Queensland A Roadmap for Change 2003 to 2013” to better align the industrial framework affecting local government with its business and operating agendas.

Of worthy note, the Association was successful with its goal of seeking award exemption for senior executives to complement the exemption that currently exists for Chief Executive Officers. There was also significant progress made towards reducing the number of regulatory instruments affecting local government through the abolition of a number of Industrial Agreements and the amalgamation of some award provisions from other awards with local government awards.

Of significant interest has been the federal government's proposed Industrial Relations Reform agenda, many objectives of which align with the Association's reform strategy. This alignment was discussed with The Federal Workplace Relations Minister as well as with members of his department, with representations focussing on the elimination of any uncertainty or unnecessary complexities for local government as a result of the proposed federal reforms.

AWARD SERVICE

The numbers of award changes as well as turnover of council staff has ensured the continuing and growing popularity of the Award Service. Enquiries go to both the provisions of the awards and relevant legislation and their application. There is a significant increase in requests for historical information, which places pressure on the resources available for such research.

This has been complemented by a noticeable increase in the requirement to educate (rather than just inform) enquirers in an understanding and appreciation of the vagaries, interpretation and application of provisions and processes contained within the IR system, which regulates local government employment.
EMPLOYMENT CENSUS

The annual survey to establish trends in local government again returned 100% participation ensuring the integrity of the data. The figures confirm that local government is a growing industry with an overall increase of about 1000 employees in the preceding 12 months, continuing the trend of recent years.

Other trends include:

- While women continue to be underrepresented, their numbers are growing at twice that of males in local government
- While the number of women covered by the federal award equals that of men, women remain significantly under-represented in the state award coverage.
- An escalation of the trend of a reduction in the external workforce and an accompanying increase in numbers of the inside workforce;
- While the numbers of full-time and part-time staff increase, the number of casual staff is actually decreasing
- Union membership is remaining static unlike the national rates of union membership and is significantly higher in the local government sector than the national industry average

Other data collected and analysed relates to the extent of above-award pay rises for council staff which provides important bench-marking data for councils for planning, EB and budget purposes. The data suggests a variation of between 0% and 28%.

Training And Development

ELECTED MEMBER UPDATE

The annual Elected Member Update program was conducted throughout April and May, with the emphasis being on building on the information passed to councillors during the 2004 post-election Reconnect program for newly elected and returned councillors.

The program was delivered across the state at sixteen (16) regional centres from Sabai Island to Charleville, with a number of councils opting to have individualised in-house programs.

Feedback from attendees was unanimously positive with a total overall rating of 91% for the program.

AGEING WORKFORCE PARTNERSHIP WITH QUT

In 2004, LGAQ entered into a Memorandum of Understanding with QUT to conduct research into employment opportunities for manual workers, particularly those intending to retire within the next ten years.

The research formed part of LGAQ’s response to some key issues affecting “outdoor workers” within local government, including:

- Ageism and the need to retain skills and knowledge, within our industry
- Inability to recruit within local government, and strategies to better respond to these concerns
- Workplace reforms
- Absence of career opportunities, within local government
The results of this project formed the basis of a successful submission to the Australian Research Council for funding to seek and identify solutions for local government to ageing workforce issues in local government in Queensland. The outcomes of this project which will seek to identify nationally and internationally strategies for councils collectively and individually to instigate future interventions that have reasonable chances of success in ensuring a relevant, effective and sustainable local government workforce.

Additionally, Kathy Kelly, Manager Training Services has been awarded a Churchill Scholarship which will fund her travel to the United Kingdom and United States for the purposes of identifying and examining for local application the range of successful strategies that companies in these countries have applied to redress similar ageing issues in their workforces.

In response to the shortage of planners available for employment in local government, LGAQ initiated an innovative solution designed to upskill and train staff already employed within the Planning Department of councils, to better support and assist in the statutory processes of Development Applications (DAs) while at the same time, establishing a platform for “growing” planning skills from within local government.

Fifteen (15) employees from across 11 councils, with a minimum of two years experience in administration within planning in local government undertook an innovative training course. In partnership with RKC Consulting (Dr Robin King Cullen), DLGPS&R and Planning Institute of Australia (Queensland) the candidates have achieved a Diploma in Local Government (Planning) level. This enabled them to apply for Associate Membership of the Planning Institute of Australia (PIA), to encourage and promote continuous professional development in planning and local government councils.

Particularly pleasing was the number of the graduates who have now signalled their intention to continue with their studies to achieve a full planning undergraduate qualification (university).

A second intake of employees commenced the program in August 2005 with a number of courses planned in 2006, dependant on market needs.
DIPLOMA IN LOCAL GOVERNMENT (ADMINISTRATION)

In response to requests from council employees for formal qualifications linked to their industry and particular job, LGAQ designed and mapped this formal course which will be delivered in September, 2005.

Sixteen (16) attendees signed on for this pilot program which was designed to assist individual middle to senior managers acquire skills in governance, corporate plans, financial skills and monitoring of organisational performance.

CORPORATE PLANNING

There was a huge increase in the number of councils engaging the Branch on a consultancy basis to facilitate and assist in the development of council’s corporate plan. Invariably these requests came from Councils no longer prepared to merely change the previous year’s plan to reflect the current year but wished to genuinely ensure their corporate plan represented the direction elected members wished to pursue on behalf of council and their community. This fresh approach to facilitated planning resulted in dynamic and contemporary plans with a high level of ownership on the part of elected members.

EDUCATION TRAINING REFORMS

INTERSECTORAL TASKFORCE

LGAQ has attended a number of meetings with this taskforce which have focussed on key issues which will affect communities, schools, TAFE colleges and Registered Training Organisations (such as LGAQ).

The primary outcomes of the taskforce is the conduct of a number of pilot programs designed to engage the “unengaged” within the community.

NATIONAL TRAINING PACKAGES

LGAQ retained its accreditation as a Registered Training Organisation for (1) Local Government Diploma of Governance and Administration and has entered into a MOU with Southern Queensland Institute of TAFE to deliver (2) Local Government Operational Works a package established to accommodate and reflect the skills and knowledge of the outdoor work force.

INDIGENOUS TRAINING FOR ELECTED MEMBERS

LGAQ acquired a contract with DLGPS&R to deliver training to five Indigenous councils in 2004/2005. LGAQ was further invited to extend delivery of those services to an additional nine councils and will apply for new contracts for 2005/2008 periods.

IN-HOUSE STAFF TRAINING

Seven members of staff acquired the Diploma in Business (Frontline Management) and twenty-five staff members acquired the Certificate IV in Workplace Assessment and Training. These qualifications reflect skills knowledge and commitment of staff to ensuring all presentations and delivery to members are relevant, professional and timely.
Workplace Health And Safety

The Branch continued to foster the relationship between LGAQ and council WH&S professional staff with regular LGAQ attendance at regional WH&S network meetings. The email user group has proven to be effective in improving consultation on industry safety matters which improved LGAQ’s capacity to respond effectively to proposed changes to the WH&S regulatory framework affecting local government.

The revamping of the annual WH&S conference proved to be successful with improved attendances and positive feedback from attendees.

The Association achieved very favourable concessions from the Department of Main Roads following its campaign against the current accreditation and licensing arrangements for Traffic Controllers. Branch staff have also made regular and significant submissions to the Department of Employment and Training and Industrial Relations on a range of safety matters, particularly in relation to plant operation accreditation and electrical safety.

Summary

It has been a stellar last 12 months for councils and their peak body, the LGAQ. Financial support has increased significantly, policy wins were achieved, important statewide initiatives were rolled out, the Association provided record levels of support and assistance to its members and Queensland councils remained the best externally resourced local government jurisdiction in Australia.

Most significantly LGAQ received two international awards for its work in the Roads Alliance and Community Engagement.