Section Two
LGAQ
Executive Report
to 106th Annual
Conference 2002
Introduction

Delegates and Observers

In accordance with the LGAQ's Constitution and Rules, the Executive reports to each Annual Conference on the direction and activities of the Association during the previous year. In keeping with past practice, the Annual Report provides commentary on the broader environment in which Queensland Local Government operated over the past 12 months. This document also itemizes the corporate goals and strategies of the LGAQ, together with the more significant initiatives of the Association during this period.

This report, in the interest of efficacy, does not contain an exhaustive list of LGAQ policies, programs or initiatives for the previous year. Moreover, that level of prescription is readily available electronically via the medium of LGAQNet.

External Environment

The year in retrospect can be described as one of fractious relations with other levels of government, deferred promises, and the emergence of both threats and opportunities for Local Government through significant reviews of a number of our sphere of government’s major funding programs. In all of those developments the LGAQ has faithfully asserted Queensland Councils genuinely held aspirations and views, while seeking to maintain cordial relations with State and Federal Governments.

Of considerable note in both State and Federal relations has been the dichotomy in the quality of dialogue and engagement with the Local Government sector. In short, there has been no consistent approach towards Local Government issues by either of the other higher levels of government. This has been a concerning trend which the Executive has responded to by employing a number of strategies to improve the situation. At the time of this report it is not possible to conclusively determine the success or otherwise of those initiatives.

Unfortunately the scourge of drought and a severe and prolonged downturn in the sugar industry affected many councils and their communities during the last year.

The age-old conflagration between Federal and State Governments over Financial Assistance Grants (FAGs) arose again during the last 12 months. This is a matter of great concern to the Executive who have communicated with both spheres of government on this issue, stressing the need for predictability, stability and transparency in the grant determination process. The
Executive has expressed the view that all outstanding matters need to be resolved so that councils can proceed to plan and budget for the future with certainty.

**Federal Government**

Over the past 12 months, general relationships with the Federal Government have fluctuated, gyrating from highs associated with the continuation and expansion of the Black Spots Program, to the lows of “deferring” $100M of previously programmed Roads to Recovery funding until the 2004-5 financial year. At the time of writing both FAGs and road funding arrangements are under formal review, hence an air of uncertainty exists regarding future federal/local government financial relations. There seems little doubt that Canberra intends to redefine federal financial relationships during this term of government.

Without doubt the Federal Government continues to accrete power, both legal and financial and as a consequence, play an even greater role in the affairs of Local Government. At the present time almost half of all Local Government’s grant funds is derived in Canberra. In almost Whitlamesque style, the Federal Minister for Regional Services, Territories and Local Government, the Hon Wilson Tuckey announced an all-party broad-ranging Parliamentary Inquiry into cost shifting by the states on to Local Government. In fact, the terms of reference are sufficiently broad to include the future roles, responsibilities and resourcing of Local Government. In a significant and related move, Minister Tuckey has linked the future of FAGs and constitutional recognition of Local Government to the Parliamentary Committees deliberations. The Executive has welcomed this review which has all party political support at the federal level, and has provided up to $90,000 in the 2002-2003 Association budget to ensure the most substantive input the LGAQ could make to this review.

The Deputy Prime Minister, the Hon John Anderson, in a similar vein, announced the Auslink Review at the LGAQ Roads and Transport forum in May 2002. This review will address all forms of federal road funding including the separately identified road grant, Roads to Recovery Program, Roads of National Importance and National Highway funding. In short, it will undoubtedly lead to a reshaping of road funding at federal, state and local levels.

A matter of real disappointment was the previously mentioned deferral of $100M of Roads to Recovery funding from the 2002-2003 financial year to the 2004-2005 year. This action has caused anger and disappointment in Local Government ranks and raised serious concerns over the future of the program. The Executive organized a significant statewide response to this
development and the President raised the matter with the Deputy Prime Minister in person on a number of occasions in recent months.

Another low spot during the year was the Federal Government’s failure to adopt its own fuel inquiry’s recommendation to extend the diesel fuel rebate to Local Government.

On a brighter note, the Federal Government has continued to positively tackle problems in rural and regional telecommunication needs by injecting hundreds of millions of additional dollars into service improvements and affordability. In a proactive move the LGAQ has identified three key funding prerequisites for the sale of the balance of Telstra to be sold i.e. establishment of a future technologies trust fund, a salinity and water quality trust and significant additional road and transport funding.

The Executive also welcomed the continuation and expansion of the Black Spot Program during the course of last year’s Federal Election. The public relations campaign which succeeded in bringing about that campaign was designed and orchestrated in the LGAQ’s offices.

LGAQ continues to be an active participant in and contributor to the work of ALGA. Whilst sometimes a critic, the Executive has ensured that the Association views are fully represented and that we continue to play a leadership role in ALGA affairs i.e. Black Spot Campaign, Cost Shifting Inquiry, etc. Importantly, during the last year LGAQ withdrew its financial support for the ALGA Roads Trust fund because of its direction and the utility of the ALGA/AUSROADS partnership, and gained agreement to an ALGA review of its roads and transport strategy.

**State Government**

**Whilst the LGAQ and Local Government’s relationship with the State Government over the past year could be best described as patchy and problematic, in relative terms it is still the strongest in the federation. Despite a number of issue-specific disagreements, there have been excellent examples of cooperation and partnership, most especially the Departments of Main Roads and Transport; Emergency Services; Innovation and Information Economy and Employment and Training. Moreover, Local Government’s significant funding from the State Government remains intact.**

During the past year the President, Executive and staff have spent considerable additional time and resources putting out “spot bushfires” with various state agencies. To that end, the State’s approach to the LGAQ and its members has frayed at the edges and become somewhat disjointed. The LGAQ continues to have good access to the Ministry, including the Premier. In a recent meeting with the President, the Premier committed to renewing and strengthening the State/Local Government High Level protocol and improve the level of dialogue and genuine engagement across all portfolios.
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Of course, one of the most significant issues involving the State Government over the past year was the LGAQ’s successful High Court challenge to the requirement for Councillors to resign before contesting federal elections. The Association continues to oppose the continuance of the legislative provision in the Local Government statute that requires Councillors to first resign before standing for State Parliament.

Another three (3) areas where the LGAQ’s pro-activity in advocating new or changed arrangements with State Government has challenged existing goodwill have been the Layton Inquiry and its recommendation to abolish the 8.3 cents a litre fuel subsidy, the Association’s preferred model for Natural Resource Management, most particularly the implementation of the national Action Plan for salinity and water quality, as well as the Association’s Public Review of Private Building Certification arrangements.

The Executive is aware that in advocating politically difficult solutions to seemingly intractable problems, it potentially jeopardizes, at least in part, its relationship with the State Government, or parts of it. Nonetheless, it does not or will not abrogate its responsibility to provide leadership on these issues of importance to its Member Councils and the communities they in turn serve. Councils’ desire for LGAQ to play that role is regularly affirmed in Member Attitude Surveys.

A matter which drew considerable public debate during the year was the State Government’s legislative amendment to the Building Act requiring Councils to certify and inspect low cost building accommodation for fire safety compliance. Despite advice that Councils’ insurance premium levels, et al, would be impacted by such a change, the Government proceeded to introduce the legislation. As a matter of fact, Queensland Councils public liability insurance premiums rose across the board by 85 percent with additional risk profile contributing, albeit overshadowed by September 11 impacts and HIH fallouts on the reinsurance market.

On a brighter note the Executive welcomed and thanked the State Government for its support on new Dangerous Dog legislation, retention of the system of Local Government and LGAQ in the State constitution and the implementation of significant reforms to the public liability statutes. A sound state budget in Local Government terms and continuing real assistance to the LGAQ in the areas of NCP, water reform, multi-cultural, youth and sharps disposal issue was very much appreciated.

As with past years, the Executive thanks the Minister for Local Government and Planning, the Hon Nita Cunningham, her advisors and Director-General, Dr Ted Campbell, for their availability to meet and discuss issues and regularly attend LGAQ and other Local Government functions around the state. Similarly the Association thanks the Shadow Minister, Mr Howard Hobbs, for his availability and interest in the work of the Executive.
The Association

The previous twelve months has seen greater office bearer involvement in the strategic direction setting processes of the LGAQ. In late 2001, the President lead a two day workshop of office bearers and senior management to ensure that the Association’s strategic direction, policy settings and services closely aligned with the findings of the Community and Member Attitude surveys conducted in 2001. That group’s deliberations are reflected in the current Association Corporate Plan, Program Statements and Operational Plans.

The key focus for the Executive has been policy formulation, and improving knowledge transfer to and relations with Member Councils. Executive Members have been active representing the LGAQ and Councils on a range of external bodies and have been in regular attendance at District Association and other Local Government representative fora.

Consultation and engagement with Members were bywords for the Executive during the past year. The Association went to extraordinary lengths to fully involve councils in its deliberations on critical issues such as the MRD Alliance, the Layton Inquiry and NRM frameworks. A highlight of the past year was the Executive’s historic meeting in Blackall in June 2002. This was the first time in decades that the Executive met outside of Brisbane which is a costly exercise. However, it was decided that given 2002 was the Year Of The Outback, such an initiative was merited. An evening function hosted by the Blackall Shire Council was well attended by Member Councils from the Western Queensland region.

Consistent with the Executive’s express desire to affect even closer relations with members, a record number of individual council visits were undertaken in the last year with councils across all parts of the state graciously receiving Association delegations, mostly led by the President. In another example of the desire to improve the standard of communications with councils and councilors, every councilor now receives a free copy of the LGAQ’s flagship Council Leader. Furthermore, significant enhancements were made to LGAQ intranet “LGAQNet” to facilitate easier use.

As with previous years, the Executive has continued to pursue cost-saving undertakings for councils. Most notable in the year past was a 10 percent reduction in the rate of workers compensation premiums. Unfortunately due to extraordinary market conditions public liability insurance premiums offered via Local Government Mutual increased by an across the board 85 percent.
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Following significant lobbying including the drafting of actual legislation the State Government introduced a raft of public liability reforms in June 2002. It is hoped that these changes will bring about a more stable premium environment in subsequent years.

At the time of writing LGAQ’s wholly owned subsidiary Local Buy Pty Ltd had entered into a formal agreement with Market Boomer and I Platinum to provide a comprehensive e-procurement service for councils which, in time, will radically reduce councils’ transactional costs.

Still on the innovation in technology and communication theme, the first six months of 2002 were spent establishing the NTN-Connecting Communities project office, rolling out a new bill payment arrangement, installing a video conferencing capacity in rural and regional councils, running tendering processes for both library internet upgrades and the major Local Government Online project. At the time of writing this report, selection of the preferred tender was in the process of being finalized. This has been a major new and significant undertaking which has consumed a lot of time and energy by both the President and Executive Director.

As with previous years the LGAQ maintained a high profile in the media with some 3500 plus mentions in all forms of the Queensland media during the past year. The Association contributed a number of feature articles to the Courier-Mail and is mentioned frequently by name in that paper’s editorials. Of particular note, was the extent of the national, and even international (BBC radio), coverage LGAQ received, highlighting the Association’s prominence in public policy debates.

Directorate

Over the past year the organization has continued to seek best practice in all of its operations. That ethos resulted in the restructuring and renaming of the Training and Development Branch to the People and Performance Branch. Furthermore, the Member Support Branch was also significantly restructured and renamed the Business Support Branch. The structure of the organization continues to change so as to properly reflect the external environment and Members needs.

In late 2001 the Directorate conducted a comprehensive time and motion study which highlighted the major commitment by LGAQ staff to interaction with member Councils. Approximately 20 percent or the equivalent of seven full-time staff member’s time is deployed in visiting with and or talking to Members. The findings of that study have assisted the Directorate in better targeting and deploying into human resources.
During the past year significant upgrades occurred to the Association’s IT platform, with the LGAQ’s bandwidth being trebled to facilitate more interactivity with and more efficacious knowledge transfer to its Members. A new Finance One accounting package was also successfully installed.

A number of long-serving staff left the LGAQ during the year, including Laurie Edwards, Samantha Niblett, Dawn Stirling and Diana Butler. Their service is noted and they left with the best wishes of the LGAQ.

The year was also marked by the creation of the Finance and Governance advisor position in response to Member requests, taking the Association’s full-time equivalent establishment positions to 35.

The demands on Directorate resources continue to grow. During the past year, LGAQ staff attended 46 ALGA, District Association, ROC and professional body conferences, meetings and seminars. In all, the Directorate handled approximately 208,000 incoming phone calls (average 800 a day), along with around 10,000 items of incoming written correspondence and 88,000 emails and faxes. At the same time, the Association produced 29 submissions to State or Federal inquiries and/or legislation, policy and funding reviews, together with 400 plus circulars, over 100 media releases and more than 50 speeches.

**Economic and Public Policy**

**Roads and Transport**

The Association’s commitment to roads and transport issues has again ensured that this portfolio remained one of the key areas of policy activity over the past year. A wide range of significant issues were addressed, including: ALGA’s National Road Funding Campaign: Roads to Recovery; the proposed Roads Alliance between Main Roads and Local Government; Damage to Roads Policy; development of a draft Level Crossings MOU; and progress towards a resolution of the Roads Off Alignment issue.

Most significantly, however, the Association took a leadership role in stimulating debate regarding funding for Queensland’s roads and transport infrastructure. The Association’s Public Inquiry into Mechanisms to fund Queensland’s Roads and Transport Infrastructure was inspired from a recognition that funding for roads and transport is patently inadequate, and that funds are increasingly being allocated towards non-productive infrastructure at the expense of transport infrastructure. Although this situation is clearly not sustainable in the long term, there is a dramatic lack of commitment from State and Federal agencies to remedy the problem. The Inquiry, headed by Professor Allan Layton, Head of the School of Economics and Finance at the Queensland University of Technology, has succeeded, in identifying and stimulating debate on a broad range of alternative funding sources.
Road Network Strategy - The Alliance

Over the past year, the investigations into the proposed Local Government and Main Roads Alliance have been extensive.

It is evident that Queensland's changing road system, together with competing demands for available funds and deteriorating road conditions requires a smarter management approach.

The proposed alliance provides a framework in which Main Roads and Local Governments can better work in partnership to overcome the network problems facing both road authorities.

Working together to improve services to the community is not a new concept. In many areas, partnerships and strategic alliances have already been formalised. These partnerships have resulted in improved arrangements and innovative approaches in areas of mutual interest, resulting in increased benefits for the community.

The alliance is an example of this partnership approach. In short, the alliance aims to maximise road system development, irrespective of ownership and funding responsibility, by directing all available investment to areas of highest priority by using the combined resources available to State and Local Governments.

The outcomes, principles and elements underpinning the proposed Alliance were outlined in a Memorandum of Understanding (MOU) executed in July 2001. Importantly this MOU was not an alliance, but merely an agreement to investigate the issues that should be considered in the creation of an alliance.

A working group was established, with representation from LGAQ and Main Roads, to drive the investigations. This group was supported by two Roads Reference Groups, one for LGAQ and one for Main Roads. Representation for the LGAQ Road Reference Group was drawn from LGAQ staff, elected members, senior council staff and nominated representatives from around the state. The commitment of the individuals involved provided invaluable practical input to the investigation.

In early August 2001, the Association released a road asset management survey seeking feedback from councils on their current road asset management capabilities. The results of this survey highlighted a number of deficiencies involving asset management processes that needed to be addressed in the investigation process. Consequently, an Asset Management Group was formed to specifically address this element of the Alliance. Having undertaken extensive consultation, the working group decided to test the various alliance elements by running a series of Pilots. Each Pilot Group consisted of a group of volunteer councils tasked with considering in detail a selection of Alliance elements. The Pilot groups were established in February 2002 and their investigations were completed in April 2002.
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The Pilot participants, and the topics examined, were:


3. Central Highlands Regional Roads Partnership (Bauhinia, Belyando, Broadsound, Duaringa, Emerald, Nebo and Peak Downs) – Classification of the Local Roads of Regional Significance; Project Prioritisation; and Resource Sharing and Joint Purchasing.

4. South Burnett Local Government Association (Kilkivan, Kingaroy, Murgon, Nanango and Wondai) – Classification of Local Roads of Regional Significance and Responsibilities, Establishment and Composition of Regional Road Groups.

The Pilot groups were extremely effective and were able to produce detailed recommendations in very short time frames. The Pilots reported their findings to the Roads and Transport Forum 2002.

The outcomes and recommendations of the Pilots were combined with the results of all other consultations and investigations to produce a draft alliance framework. This framework was presented to the LGAQ Executive on the 6/7 of June 2002 which unanimously endorsed the concept and authorised its implementation.

State Cabinet similarly adopted the concept on 8 July 2002, and was approved.

LGAQ officers are now preparing, in collaboration with Main Roads, a Memorandum of Agreement (MOA) and the Operational Guidelines. These documents will together formally establish the Alliance and specify the roles and responsibilities of the participants as well as the governance and operating principles.

It is anticipated the MOA and Guidelines will be officially signed by the LGAQ President and the Minister at the Annual Conference following which implementation will then commence.

The Federal Fuel Taxation Inquiry

The Fuel Taxation Inquiry announced by the Prime Minister on 01 March 2001, was asked to examine the existing structure of fuel taxation in Australia including related rebates, subsidies and grants.
The Federal Government has decided against implementing the main recommendations of the Fuel Taxation Inquiry. One of the recommendations made by the inquiry was to extend the off-road credits to all businesses. The Government’s decision results in Local Government continuing to be ineligible for the full benefit of the various fuel schemes.

The Association has made numerous representations to the Federal Government to have the construction activities of Councils included in the Diesel Fuel Rebate Scheme (i.e. off-road diesel) to no avail and this move by the Federal Government not to implement the recommendations put forward by the Inquiry Committee is again a slap in the face to Local Government.

On 1 July 2000, the Federal Government took control of the off-road diesel fuel rebate from the States. The Commonwealth failed at that time to provide the 38 cents per litre diesel fuel concession for construction and earthmoving activities which would have included Local Government.

Councils inability to claim the off-road diesel fuel rebate for these activities increases the costs associated with building and maintaining roads. Road maintenance and construction are essential services, and this increasing cost jeopardises Local Governments’ ability to deliver high quality, low cost roads networks.

To have an independent body, engaged by the Federal Government, recognise the importance of all off-road users eligibility to claim the subsidy and then have the Federal Government ignore that recommendation is extremely disappointing.

The Association is taking up the fight for Local Government on this issue. Already the Association has presented a strong submission to the Federal Inquiry recommending that Local Governments be made eligible for the full benefit of the various fuel schemes. The Association has also met face to face with the Federal Inquiry to represent this position directly. Further, the Association has conducted its own Public Inquiry into "Mechanisms to Fund Queensland’s Transport Infrastructure" requirements to ensure that no stone was left unturned in the quest to facilitate Members capacity to serve their communities.

The Association has written directly to the Federal Minister expressing bitter disappointment that the recommendations of the independent Federal Inquiry have been ignored. The Association will continue to represent Members in the strongest possible terms regarding this issue.

ALGA’s National Roads Funding Campaign

In the lead up to the last federal election, the Australian Local Government Association, with the support of State Associations undertook to conduct a national roads funding campaign.

Subsequent to the campaign strategy being promoted in Canberra, the Australian Local Government Association advised the LGAQ they were confident that they had managed to secure most of the campaign objectives from both sides of politics. That was, the re-instatement of the...
BlackSpot Program, increased levels of funding and a promise to examine the effectiveness of the application criteria for the program.

In light of this information, the ALGA Executive resolved to discontinue the campaign (the BlackSpot Express and media campaign), in good faith that the Government and Opposition would deliver on this commitment subsequent to the election being held.

Given the full campaign strategy was not undertaken, contribution balances were returned to member councils in December 2001.

The Federal Budget for 2002-03 contains funding and forward estimates for ongoing commitment to the Black Spot program.

**Roads Off Alignment**

Councils have been concerned about off alignment roads for a number of years. Resolution of the problem has always been difficult given the number of ancillary issues associated with off alignment roads including native title, survey and compensation.

Following a 1999 LGAQ Executive motion the Association surveyed Councils in order to determine the magnitude of the off alignment roads problem. The LGAQ received responses from 82 Councils indicating it was wide spread and a major issue within some shires.

Consequently, the LGAQ made representations to the Premier and subsequently an inter-governmental working group was established to examine and identify possible solutions. The Department of Premier and Cabinet is the chair of this working group, which comprises membership from the Department of Local Government and Planning, Main Roads, the Department of Natural Resources and Mines and the LGAQ.

The working group resolved to refer the problem to Crown Law to examine the feasibility of possible legislative solutions, that is, legislation to declare all off alignment roads as "roads".

In short, the legislative solutions proposed would involve a breach of "Fundamental Legislation Principles" to some degree and for this reason would not be likely to proceed.

As an alternative approach, the working group examined the possibility of developing a policy alternative. The Department of Natural Resources and Mines (NR&M) developed a draft proposal but the response from Councils indicated that the proposal would not be adequate to solve the problem.

Consequently, the working group has agreed that the LGAQ should engage Councils in examining one of the proposed legislative options to ascertain whether the process outlined might present an acceptable solution.

The Association is currently in the process of re-drafting one of the legislative options into a discussion paper for consideration and comment by Councils.
Mass Limits Review

Higher mass limits access for heavy vehicles in Queensland is currently limited to the National Highway System and a 500 metre radial distance along adjoining B-double routes.

The Association has been involved in a working group with Main Roads and Queensland Transport to develop a number of infrastructure strategy options, in anticipation of higher mass limits on the State's road network.

The LGAQ in the past, has been advised by Main Roads that Councils such as Brisbane, Mackay, Rockhampton, Cairns and Townsville have been approached by industry operators seeking permission to breach the current 500 metre access limit.

Until recently the State Government has taken a very firm position regarding the level of access, and have strongly supported Local Government by refusing to extend access without further funding from the Commonwealth for bridge upgrades.

However, the State (in conjunction with Councils who are in agreement) is now reconsidering the extension of higher mass limits access, particularly as it applies to requests for marginal route extensions.

Marginal route extensions would apply to those cases where there is an operator with only a few hundred metres or less beyond the current access limit, still on an approved B-double route with no bridges or culverts presenting a physical necessity for the 500 metre limit.

The working group is now looking at developing a policy framework whereby requests for marginal route extensions could be properly assessed and where appropriate, approved.

Approval of these extensions would be contingent on the following:

1. No bridges are present on the route requested.
2. The route is currently an approved B-double route connecting to a National Highway.
3. Vehicles are of an appropriate configuration and meet all requirements of higher mass limits as outlined in current performance guidelines.
4. Effective compliance and enforcement measures can be put in place.

This policy framework is still in the early drafting stage. Consultation with Local Governments will take place in the near future on the draft proposal.

Damage to Roads Policy

The issue of damage to roads from industry development activities has been an issue of concern for road authorities over a number of years. In response to this problem, the State Government in conjunction with the LGAQ and other industry representatives developed the "Damage to Roads Policy".
For development activities associated with particular industries, the processes for assessing road impacts and any industry contributions for road works where thought to be less rigorous than the arrangements applying to industries generally under the IPA.

During the past 18 months arrangements to give effect to the requirement that petroleum and mining activities be subject to road impact assessment and developer contribution processes comparable to those applying to other industries under IPA have been developed by Main Roads in close consultation with the Department of Natural Resources and Mines and the LGAQ.

With regard to petroleum activities, relevant provisions have been included in the Petroleum and Gas Bill 2001, which was released as an exposure draft on the 31 May 2001. The Bill provides for notice of certain activities to be given to road authorities; road authorities may give directions about road use; and compensation is payable to road authorities for any road damage caused by petroleum activities. This legislation is expected to be in place by July 2002.

It is intended that provisions comparable to those finally adopted in the Petroleum and Gas Bill will apply to mining activities through amendments to be made to the Mineral Resources Act 1989. These amendments are expected to be completed by November 2002.

With regard to forest harvesting activities, similar arrangements will be developed which will see harvesting activities involved road impacts (especially local government roads) being subject to road impact assessment and developer contribution processes comparable to those applying to other industries under the Integrated Planning Act (IPA).

These arrangements will be given effect via a Memorandum of Understanding (MOU) between DPI Forestry, the LGAQ and Main Roads.

The LGAQ posted the MOU on LGAQ-Net for consideration by Councils and also undertook targeted consultation with Councils which have a particular interest in this initiative. Comments received will be considered in finalising the MOU.

**Level Crossing Safety Steering Committee – Statement of Institutional Responsibilities**

The Association has for a number of years been a member of the Level Crossing Safety Steering Committee. This Committee comprises representatives from Queensland Rail, Queensland Transport, the Department of Main Roads, Queensland Police and the Australian Sugar Milling Council. The role of this group has been to monitor the safety of road and rail users at railway level crossings, prioritise and recommend cost effective improvements to level crossing safety in Queensland to implementation agencies and to monitor and report to stakeholders on the implementation of, and effectiveness of improvements.

It has become evident to the Group that the roles and responsibilities pertaining to the construction and maintenance of level crossings has been an ongoing issue of concern amongst between relevant stakeholders.

In Local Government’s case, 85% of the total of 3500 level crossings intersect Local Government roads. Councils, therefore have some responsibility assigned to them for level crossing maintenance and construction.
To overcome this problem, a draft Statement of Institutional Responsibilities has been developed by the Level Crossing Safety Steering Group in order to provide greater consistency and equity of responsibilities for level crossing infrastructure.

These responsibilities take two forms – legal responsibility and funding responsibility.

1. Legal Responsibility is allocated on the basis of ownership of components of a level crossing.

2. Funding responsibility is assigned to:
   - The instigator of a change in the level of risk for any new level crossings, or new treatments to existing level crossings, and grade separations, and
   - The owner of the relevant components for maintenance and removal of level crossings.

The Statement of Institutional Responsibilities will be given effect through a Memorandum of Understanding (MOU) between Queensland Transport, Queensland Rail, the Department of Main Roads, the Australian Sugar Milling Council and the LGAQ.

The MOU is in the early stages of drafting and will be posted on LGAQ-Net for consideration and comment by Councils prior to it being finalised.

National Competition Implementation Grant – The BMAP Project

To assist members in the implementation of National Competition Policy (NCP) reforms, and to maximise Local Government access to the Financial Incentive Package (FIP) implementation pool, the Association created the Business Management Assistance Program (BMAP). The BMAP program is a broad based assistance package designed not only to assist members with NCP reform, but also provide guidance on other aspects of councils business and financial activities. The aim is to improve the capacity of councils and enhance their effectiveness in providing services to their communities.

Components of the BMAP program include:

- Council briefings to discuss intentions and requirements
- Develop a guide to assist in implementing outstanding reforms
- Conduct in-house audits
- Conduct a series of regional workshops
- Establish consultants/mentors to provide technical support and monitor progress
- Pre-qualify consultants that can provide support for councils
- Negotiate with major software suppliers to incorporate modifications in their products as necessary.
While all councils were invited to participate in the program emphasis was placed on assisting small to medium sized councils.

All 125 local governments, through the LGAQ:

- Were advised of the program and invited to overview a council briefing and in–house assessment
- Were invited to attend a regional workshop
- Received simplified guides to the implementation of reforms to their type 3 business activities
- Received details of pre-qualified consultants
- Made aware of the requirements to gaining an extension of the implementation deadline for business activities to 30 June 2003

Sixty-one local governments participated in Councillor briefings. Ninety-six received an in-house assessment, resulting in the creation of an action plan for each nominated business activity. All of those councils are now receiving on-going support and technical advise from the consultant that undertook the in-house assessment. An ongoing mentoring program to assist councils in meeting their action plan targets will continue until May 2003. A total of 73 local governments attended the eight technical workshops.

**BMAP Outcomes:**

Councils requiring an extension to 30 June 2003 have put resolutions in place and advised the Department of Local Government and Planning. Only six councils in the BMAP target area have not sought an extension. They are Balonne, Dalrymple, Inglewood, Kolan, Perry, and Taroom. Balonne is the only Council that has above 1,000 water connections.

Council returns to the Queensland Competition Authority (QCA) outlining actions as at 30 June 2002, have shown significant progress which has been incorporated in the 2002/2003 budgets. QCA has attributed the improvement to BMAP.

The National Competition Council has publicly congratulated LGAQ and the State on the BMAP initiative. In February 2002 LGAQ arranged for discussions with Jericho, Emerald, Cooloola and Redcliffe Councils on NCP implementation.

The full extent of BMAP’s success will not be known until Councils submit their 2003 return to the QCA. The ongoing mentoring will alert LGAQ to any slippage by Councils from their implementation plan. Every effort will be made to assist Councils wishing to implement change.

**Finance and Governance Advisor**

As a result of a resolution adopted at last year’s Annual Conference, and in response to members’ requests for more assistance in the areas of Finance and Governance, the new position of Finance and Governance Advisor has been filled by Mark Leyland, an experienced Local Government career officer.

The role of Finance & Governance Advisor is to provide advice and assistance to Members with enquiries or issues in the areas of: -
Simplified Financial Reporting Project

The Association undertook the above project in response to consecutive member attitude surveys indicating that elected members required assistance in understanding financial statements.

Research undertaken over the last twelve (12) months has produced a Report on Best Practice Simplified Internal and External Reporting for Local Governments in Queensland. This report has been circulated to all Councils for comment and the final document completed in July 2002.

A brief has been developed for tendering to consultants to produce a training program for Elected Members and Senior Executives to be held in February/March 2003.

Amendments to the Statutory Bodies Financial Arrangements Act 1982

The Department of Treasury commenced a review of the Statutory Bodies Financial Arrangements Act 1982 (the Act) in March 2002. The sections of the Act under review govern the financial transactions of Queensland Statutory Bodies, which require Treasury approval.

After much negotiation, Treasury has developed a list of transactions that will require approvals. The Association in collaboration with the Department of Local Government and Planning have reviewed the list and provided comment. The list will now be re-drafted for approved by the Treasurer to incorporate the agreed amendments.

Water Reform

The water reform process will gain momentum this year, as local governments get to see how they may be affected by the first of the Resource Operations Plans (ROPs). Ultimately, the quantum of unallocated water and its reliability will be important determinants on the types, scope and locations of future development.

ROPs will pose other issues for local government. As each ROP is approved, water entitlements in regulated systems will be converted to water allocations specified in terms of volume and reliability. Water allocations will be separate from land title to permit transferability. Separation will influence valuations of adjoining land, and maintenance of rate revenue will rely upon application of differential rating.
This year also marks the beginning of implementation of service provider obligations under Chapter 3 of the Water Act 2000. “Large service providers” as defined under the Act must have a Strategic Asset Management Plan and Customer Service Standards in place at 1 October 2002. Other councils will have either one or two additional years to comply.

These and other water issues will be addressed in an LGAQ information program to be run by LGAQ later in the year. A similar program conducted last year attracted 350 delegates. In addition, projects to be established will develop guidance on water resource planning processes and the actions councils will need to take to conform to service provider obligations.

LGAQ with the support of the Department of Natural Resources and Mines has provided the dedicated position of Water Policy Adviser to advise local government on water issues. This service will continue.

Environment and Health Policy

Environmental Protection

Clean-up of Pollution Incidents

Since the Environmental Protection Act 1994 was introduced, Local Governments have sought to clarify the roles and responsibilities of Local Governments and the Environmental Protection Agency (EPA) in the clean-up of pollution incidents, particularly where the source was not a devolved environmentally relevant activity (ERA).

While Local Governments have traditionally had responsibility for maintenance of their geographical areas, there has been no legal requirement for either Local Governments or the EPA to clean-up pollution incidents. Since late 1999, LGAQ, together with a number of representative Councils as part of a Technical Reference Group (TRG), has been working with the EPA to develop a satisfactory solution to this issue.

In mid 2002, LGAQ was advised that, following approximately two years of negotiation, the EPA had decided that the clean-up and cost recovery provisions included in the Environmental Protection and Other Legislation Amendment (EPOLA) Bill would not proceed and, hence, would not be considered by Parliament.

During 2002-2003, LGAQ will seek to recommence discussions with the EPA to again develop a satisfactory resolution to this issue.

Local Government and Sustainability

In February 2001, Environment Australia (EA), the Australian Greenhouse Office (AGO) and LGAQ agreed on the need for a more coordinated approach to local level sustainability and greenhouse issues by both the State and Commonwealth Governments. Under this agreement, LGAQ established a State-based working group – referred to as Queensland Local Governments – Leaders in Sustainability Reference Group.
While the Association proceeded to review issues associated with energy efficiency/greenhouse, the Environmental Protection Agency (EPA) commenced work on a number of initiatives with a focus on Local Government. Within a Queensland context, LGAQ became aware of the research project being undertaken by the EPA and commenced discussions to work collaboratively. In this regard, it was recognised that the objectives of the Association's project and the EPA were aligned.

During 2001-2002 LGAQ, in partnership with the State and Commonwealth Governments, agreed there was a need to identify the range of initiatives currently being progressed by all spheres of government, clarify how these initiatives inter-relate and define Local Government’s existing and future potential role.

A draft discussion paper was developed in early November 2001 and was sent to participants of the Reference Group and all Councils for review. A final position paper was then considered and endorsed by the LGAQ Executive in June 2002. The position paper was then considered by the EPA and an agreement reached with LGAQ to commence discussions regarding implementation of key recommendations during 2002-2003.

Public Health

Mosquito Management

As part of the State 2000 Election Local Government Policy Plan, LGAQ called on the incoming Government to provide funding for a comprehensive and ongoing program to control mosquitoes on Crown land. In response to this, the Labor Party agreed that it would, "continue development of joint State-Local Government Protocol and, subject to agreement, will consider funding bid in 2001-02 budget".

In response to this commitment, in late 2001 a protocol was signed between the Premier and LGAQ to develop a collaborative approach to the management and control of mosquitoes and their associated problems. A Working Group consisting of a representative group of Councils across the State (Townsville City, Redland Shire, Mackay City and Pine Rivers Shire Councils) was established in late 2001 to progress implementation of the Actions Plans included in the Protocol.

Following a review of the available resources for State and Local Government and identification of priority areas across the State it is anticipated that a funding submission will be forwarded to Cabinet by end 2002 for their consideration.

Restricted Dog Legislation

During mid-late 2001, LGAQ was extensively involved with the Department of Local Government and Planning (DLGP) as part of the State Government commitment to introduce a State regulatory framework for certain dog breeds (these breeds and their cross breeds are called restricted dogs). The Local Government and Other Legislation Amendment Act 2001 was introduced in late 2001 and the new provisions commenced on 1 June 2002. This delayed commencement date was set to provide Councils with an opportunity
to review their local laws, repeal any provisions that would be made redundant and make the other necessary arrangements in readiness for commencement of the provisions.

The regulatory framework for restricted dogs sets minimum standards for the regulation of the breeds of dog subject to the Commonwealth’s importation ban and cross breeds and offspring of these breeds of dog. The breeds of dogs are the American pit bull terrier or pit bull terrier, dogo Argentino, fila Brasileiro and Japanese tosa. The legislation provides that Councils can impose additional or higher standards in respect of a range of matters, including prohibiting restricted dogs, under local laws.

During early 2002 the DLGP completed a training program across the State to assist Councils in implementing the requirements of the restricted dog legislation.

Immunisation

Since 1998, following continued lobbying by LGAQ and Councils, the State Government, through Queensland Health, introduced a Local Government Immunisation Funding Program which resulted in the distribution of $250,000 per annum to Councils to assist with the provision of immunisation services. This allocation was made in recognition of the valuable role local governments play in the provision of public immunisation services.

In early 2002 LGAQ was advised that the $250,000 per annum has become a permanent grant to Local Governments. The funding was distributed to Councils in two payments during each financial year and was distributed on the basis of a funding formula in which Councils received a per unit amount for each child vaccinated under the age of 8 years. The original formula for allocating was determined by collaborative effort between Public Health Services, Queensland Health, Local Government representatives and the LGAQ. This formula involved two payments in a financial year.

In May 2002 given that the annual funding was confirmed as permanent, Queensland Health, LGAQ and Local Government representatives commenced a review of the funding formula to more accurately reflect the current situation and allow the inclusion of future initiatives and priorities.

In late August 2002 a discussion paper which provides information regarding six options will be forwarded to all Councils for comment. In late 2002, on the basis of comments received from all Councils, members of the Reference Group and Public Health Units within Queensland Health, LGAQ will formally advise Queensland Health regarding Local Government’s preferred model for inclusion in the 2002/2003 Service Agreement. Any modifications to the program will then be introduced as part of the 2002/2003 financial year funding cycle.

Public Health Protocol

The Queensland Public Health Partnership Protocol and in particular the action plans identified in the protocol continued to be implemented over the past year. Some of the activities to date include the roll out of a number of projects in relation to public health planning, the continuation of the fluoridation project being undertaken by Queensland Health, ongoing refinement of the communication processes between the two signatories and the commencement of the community safety project as detailed below.
It is anticipated that a review of the protocol will be undertaken over the next 12 months. This will include both a review of the roles and responsibilities of the signatories and the establishment of new action plans to be implemented over the next two years.

Community Safety – Statewide Sharps Management and Disposal Strategy Project

In accordance with the Public Health Partnership protocol, during 2001-2002 LGAQ in partnership with Queensland Health commenced the development of a statewide sharps management and disposal strategy to enhance the safety and well being of the community. This protocol recognizes that existing methods of sharps disposal have considerable potential for improvement. Funding has been provided through the COAG Supporting Measures for Needle and Syringe Programs, to implement this project.

Linked to this project is the 1800 NEEDLE (1800 633 353) Helpline to provide a central point for the coordination and pick up of unsafely disposed of needles and syringes in the community.

A Sharps Reference Group was established and met in July 2002 to provide feedback on a number of project related activities including a review of products that may be developed. e.g. a handbook and video - covering policy development, Workplace Health and Safety policy, management system options and environmental design options. In July 2002, LGAQ secured $100,000 from Queensland Health to assist Local Governments wanting to adopt sharps management strategies and, in particular, those wishing to trial Sharps bins in their area.

During 2002-2003, the Association will focus on distributing the funds to all Councils and will continue to assist Councils in the development of sharps related strategies.

Natural Resource Management

Land Protection Act

Following continued lobbying by LGAQ the new Land Protection (Pest and Stock Route Management) Act 2001 was passed by Queensland Parliament in April 2002. The proposed Land Protection (Pest and Stock Route Management) Regulation 2002 is in the process of being completed. During mid 2002 the Association was involved in seeking comments from Councils regarding an Issues Paper which was released as part of the development of the Regulation. The Act will not be proclaimed into force until the Regulation is ready to be tabled in Parliament late 2002.

As part of the new legislation, Councils are now formally required to develop pest management plans for their areas within one year of the commencement of the Act. The intent is that these plans will involve public consultation and will cover most of the State’s land. The majority of Local Governments are well advanced with pest management planning processes because of facilitation efforts by the Department of Natural Resources & Mines (DNR&M). The Association will continue to assist Councils in the development of these plans.

State Agencies that manage large land areas like National Parks and State Forests are required to give input into the Local Government area pest management plan if required by the Council. They will also inform the State Land Pest Management Committee on which the Association is represented. One of the main roles of the Committee is to seek to improve the level of pest management on State controlled and to give effective reporting on performance. Additionally, the
Act requires State Agencies to prepare a State plan to manage declared pests on large land areas and to make the plan publicly available.

LGAQ worked with DNR&M to facilitate a series of training workshops which were held at major centres throughout the State during May and June 2002.

In late 2000, when it was first anticipated that the draft legislation would be considered by Parliament, LGAQ officers, in collaboration with Local Government representatives on the Rural Lands Protection Board and DNR&M developed a draft Memorandum of Understanding (MoU). The draft MoU is currently in the process of being reviewed and updated, following which time a draft copy will be forwarded to all Councils and members of a Reference Group for their consideration. It is anticipated that this MoU will be finalized by late 2002, following which time key actions included in the MoU will be progressed during early 2003.

Natural Heritage Trust

During 2001-2002, one of the principal roles of the LGAQ Bushcare & NRM Project was to enhance the capacity of Local Governments to develop eligible, technically sound and feasible applications for the NHT program. A review of the progress for the 2001/2002 funding period identified that this project assisted 17 Council sponsored NHT Bushcare projects involving over 70 Local Governments with a total NHT program value of $1.16 million. The current focus of the LGAQ Bushcare & NRM project is to facilitate Local Governments through the transitional period from the first to the second phase of the NHT. The current focus of support has been on the following core activities:

- assist in the finalisation of current NHT projects and related tasks such as monitoring and evaluation;
- facilitate Local Government involvement in the development of regional plans and regional implementation activities for the next phase of the NHT
- maintain and build capacity of Local Government for increased involvement in Natural resource management and related issues
- provide an advisory service to Councils on issues related to NHT Mark II

The Association will continue to actively promote Local Government interests in the development of regional arrangements for NHT Mark II and will continue to support Councils involvement in NHT Bushcare initiatives.

National Action Plan for Salinity and Water Quality (NAPSWQ)

With the recent introduction of the NAPSWQ, the LGAQ Bushcare & NRM Project has directed considerable effort towards providing support to Local Governments within each of the seven priority investment sub-regions involving 87 Local Governments. The key focus of support has been on the following core activities:

- representation on the State Government National Action Plan Reference Group;
- support for Local Government representatives on NRM Regional Bodies;

The Association will continue to actively promote Local Government interests in the development of regional arrangements for NHT Mark II and will continue to support Councils involvement in NHT Bushcare initiatives.
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- providing on-going feedback to Local Government representatives on NRM Regional Bodies on relevant SIP projects, including areas for improvement and avenues for participation of Councils within each priority region;
- providing professional advice to assist Councils on issues contained within the NAPSWQ Bilateral and partnership agreements.
- Facilitation of a forum with Local Government representatives on Regional Bodies and Government Agencies to establish improved communication and greater understanding of the NAPSWQ process.

The Association’s continued involvement in the development of regional arrangements for the NAPSWQ will significantly influence the establishment of a long-term state-wide institutional framework for NRM, and hence the achievement of the LGAQ NRM framework which was endorsed at the LGAQ 2001 Annual Conference in Townsville. It is anticipated that, to avoid the creation of the fourth sphere of government, the successful achievement of the framework will occur over a 2-3 year period, as the level of understanding, expertise, commitment and ownership across all Councils increases.

Private Forestry

The Local Government Private Forestry Project has developed a statewide planning framework for private forestry, that Local Government may use within Integrated Planning Act 1997 (IPA) compliant planning schemes. This work is known as the Private Forestry Model Planning Framework (PFMPF). The PFMPF is the result of over two years research and extensive consultation with Queensland Local Government, the Departments of Local Government and Planning, Primary Industries, State Development, and Natural Resources and Mines, Regional Plantation Committees, Greening Australia, industry and community groups, and individual private foresters.

The PFMPF is a complimentary component of the StateQueensland Forest Practices System (QFPS). The PFMPF deals with ‘where’ new private forestry developments may be appropriate within the landscape (regional and local land use planning and development approval processes), while the QFPS addresses ‘how’ operational works are conducted once a lawful use has commenced including codes for operational works, monitoring, and reporting.

The PFMPF is an invaluable planning tool for Council Planning Officers, consultant Planners, State Government Officers, Timber Industry Groups, Catchment Groups and private foresters themselves. To assist with getting the most out of the PFMPF, a series of three Planning for Private Forestry Seminars were held across Queensland in August 2002.

The PFMPF seminars were to further aid Local Governments to capture the potential benefits of private forestry during IPA planning schemes preparation - which was approximately 80 per cent of all Local Governments at the time.

Another major role of the project is to represent Local Government on the QFPS Advisory Panels for both Plantations and Native Forests. As the forest industry in Queensland is going through major reforms at present, during 2002-2003 LGAQ will be involved in discussions to ensure an equitable system for Queensland is established that balances both forest industry development and Ecologically Sustainable Forest Management (ESFM).
Waste Management

Regional Waste Management Planning Funding Scheme

The remaining funding under this scheme was distributed in late 2001. Councils and regions are currently preparing waste management strategies to meet the June 2003 deadline. The Environmental Protection Agency will be reviewing the plans produced as a result of the scheme over the next year. At the completion of this review the program will be finalized and a report on the outcomes will be considered by the Association.

Landfill Rehabilitation Assessment Program

The Landfill Rehabilitation Assessment Program (LRAP) is a $7.5 million program which can provide up to 50 percent subsidy to Local Governments to investigate closed landfill sites which may pose an environmental threat. Specifically the objectives of the program are to facilitate, through financial support and guidance, an assessment by Local Government of their former waste landfills to determine:

a) the level of environmental damage/risks,
b) rehabilitation work required (if any); and

c) the cost of necessary rehabilitation work.

The Association has successfully lobbied the Department of Local Government and Planning to extend the program to include all closed landfills rather than only those closed prior to 1 July 1998.

Funding for 52 sites across 22 Councils was provided in the fourth round of funding that has recently been completed. The Department of Local Government and Planning has recently announced a fifth round of funding with the period for applications closing on 29 November 2002. The Association will continue to encourage Councils to apply for funding.

National Packaging Covenant (NPC) Projects

The Association was successful during 2001-2002 in securing National Packaging Covenant funds to host a joint EPA-LGAQ project. During 2002-2003 this project will produce a ‘preferred practice’ information kit containing the necessary resources to facilitate the development of preferred practice contracts for kerbside recycling and drop off centres for rural areas. This will enable Councils to apply for further incentive funding under the National Packaging Covenant transitional funding arrangements.

The project will also produce a ‘data collection’ information kit for Local Government to ensure that Councils have the necessary tools to collect standardized data to meet their reporting requirements under the National Environment Protection Measure on used packaging materials.

In addition, the LGAQ intends conducting a series of workshops in October 2002 on “how to use the information kits” throughout the state.
Resource Exchange Register (RXR)

Launched in May 2000, the Queensland Resource Exchange Register (RXR) web site achieved all initial LGAQ aims and objectives. The Association now runs the RXR as a web based service only, offering automated match making, as well as providing a host of resources such as case studies, a directory of recyclers and recycled content suppliers, and web links.

The review of the Waste Management Strategy and Queensland Waste and Secondary Resource Development Strategy (QWIDS) during 2002-2003 may see the State Government playing a more active role in facilitating exchanges via the RXR in the future. Implementation of these strategies will result in a higher value and hence utilisation of the RXR.

The Association has encouraged Councils and the EPA to actively promote the RXR to business, industry and the general community as a proactive approach to diverting waste from landfill that promotes ecological sustainability, reduces Councils risk, maximises resource value as well as creating the opportunity to develop new secondary resource industries throughout Queensland.

Planning and Social Policy

Building Certification Review

The LGAQ’s Building Certification Review report was finalised in November 2001 and presented to the Minister for Local Government and Planning for her consideration. The Review was initiated in March 2001 to address the ongoing issues raised by Councils and other stakeholders about the system of Building Certification, since its introduction three years ago.

The Review makes a total of 30 recommendations to improve the building certification system.

Five critical success factors were identified as being the key to making the system working, namely:

- Improved regulation of building certifiers
- Additional resourcing for the Queensland Building Services Authority to do its job better
- Better protection for building owners
- A more pro-active approach by Councils in assisting building certifiers
- More flexibility needed in remote areas.

The LGAQ has attempted to provide a comprehensive, balanced and objective assessment of issues affecting building certification and the options proposed to improve the system. Building Codes Queensland within the Department of Local Government and Planning, and the Queensland Building Services Authority provided invaluable assistance throughout the Review. Other stakeholders – Councils, building certifiers and their professional associations – took up the opportunities to provide input at various stages during the Review.

While taking time to respond to the Review, the Minister has done so recently and in a positive manner. It is understand that almost all the recommendations of the Review are to be acted upon and the Minister is to be congratulated for this.
Planning and Development Issues

The Association has continued its representations on behalf of Local Government with the roll-on of the reforms relating to Queensland’s planning and development regulation system.

The IPA Operational Review was finalised by the Department of Local Government and Planning, with the Association participating in various lengthy workshop and seminar processes, and coordinating the responses of Local Government on the various IPA reforms.

In addition, reforms over the last year which the Association has been advocating on behalf of Local Government include: the ongoing consequential amendments to the Integrated Development Assessment System; input into the development of numerous State Planning Policies for Natural Disaster Mitigation, Acid Sulfate Soils, Affordable Housing, Extractive Industries, and Airports and Aviation Facilities; the regulation of telecommunications facilities; Building Fire Safety issues following the Childers backpackers fire, the need to address spiraling Planning and Environment court costs, analysis of the impact of ministerial designations on Local Government; input into the development of the State Coastal Management Plan and the initiation of a protocol between the Association and the Planning Institute of Australia.

Over the next year, the Association will be working with the Government on the finalisation of further amendments to the IPA and on amendments to the infrastructure charging framework.

Native Title

The Association has continued its support of Councils in dealing with native title issues. In late October 2001, the LGAQ conducted a survey, with the aim of better informing the LGAQ and the Commonwealth Attorney General about the capacity of Queensland Local Governments to respond to native title. The survey results were recently published in a report available on LGAQNet. The Native Title Policy Officer visited a number of Councils and a further range of visits and workshops are planned for the next year.

The Works Procedure Manual project was only recently completed due to delays in obtaining State Government signoff. This project has proved valuable in highlighting a number of issues for consideration by the State government as well as Local Government.

The free native title legal advisory service was launched for Councils with funding from the Commonwealth Attorney General’s Department. Councils can now access up to 2 hours free legal advice on native title issues by contacting the Association.

Social Policy Support

The LGAQ continues to work across a large number of social policy agendas to represent the interests of Local Government.

The Local Area Multicultural Partnership program, a partnership between Local Government and Multicultural Affairs Queensland, Department of the Premier and Cabinet, was evaluated over the 2001/2002 year with very positive outcomes. As a result, the recent State Government budget
The 2000 Community Development and Planning Conference held in Gayndah was again a great success and it is expected that the 2002 Conference to be held in Rockhampton will be likewise. The growth of this conference and its value as a policy discussion forum for Local Government will result in a review of how the Conference is to be delivered and partnered in the next year.

Following the stimulating presentation by Robert Putnam at last year’s Annual Conference, the Association has initiated a project to examine the role of Queensland Local Government in building and maintaining the social capital in our communities. At this stage the Association has undertaken detailed discussions with the University of Queensland as to the scope of the project and is in the final stages of developing a project plan. This project promises some exciting outcomes over the next year.

Youth issues continue to be high on the agenda of the Association. Visits by the Youth Policy Officer were undertaken to a wide range of Councils and a series of regional workshops are proposed later in 2002 aimed specifically at Councillors and councils and what they can do to maintain support for the young people in their communities. The annual LGAQ Youth Forum was held in Caloundra in November 2001, with 26 Councils represented - including three Community Councils. The Guide to Developing and Managing Skate Facilities in Queensland was released and is proving very popular with Councils in Queensland, around Australia and even with overseas Councils - New Zealand, United States of America and Canada.

The past year has also seen the development of the Arts and Cultural Development protocol to be signed at the 2002 Annual Conference and the development of a training program on the IPA Community Wellbeing Guidelines, to be delivered with support provided by Planning Services within the Department of Local Government and Planning.

Other resources developed, updated and made available for Councils this year include the IPA Community Wellbeing Guidelines, the Social Planning Guidelines and the Community Engagement Guidelines.
Business Support Branch

At the June 2002 meeting of Executive it was resolved to restructure the Member and Corporate Support Branch with the new title of Business Support Branch. This restructured branch will have three clear roles – business operations, commercial services and business operations.

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Commercial Services

LGM Queensland

LGM has continued to pursue its primary objective of providing a stable and reliable source of liability cover for members in an increasingly uncertain insurance environment. Participation in the national Local Government reinsurance purchasing program again provided the opportunity to progressively continue implementation of the scheme’s liability funding strategy. Membership continued to grow during the year with some Local Government related bodies such as District Associations deciding to participate.

A major internal review of operations saw a closer and more productive relationship develop between the Board of Management and legal firms handling LGM matters. The Board is continuing to work with members and the scheme manager, Jardine Lloyd Thompson, to develop strategies for cost effectively managing the increasing levels of claims made against Councils. On the broader strategic front a detailed submission on limiting the liability exposure of Local Government was developed in conjunction with the LGAQ and presented to the Queensland Government. A number of procedural reforms proposed in the submission have since been included in the Government’s first stage of legislative reform relating to personal injury litigation.
Local Government Workcare

In May 2002 the workers’ compensation self-insurance licence was renewed for a further two years. This was only achieved after a major effort on the part of member Councils and the scheme manager, Jardine Lloyd Thompson to comply with stringent new licensing criteria relating to workplace health and safety management. The standards able to be achieved, particularly by the 10 Councils externally audited as part of the licensing assessment process would probably have been considered unattainable prior to commencement of LGW.

The financial strength of the scheme has continued to be enhanced in conjunction with the maintenance of very reasonable contribution rates. The audited 2001/2002 financial statements are expected to show further growth in accumulated member funds. LGW has made significant investments in claim management, injury management and injury prevention as this is the only way to maintain long term cost stability. It is most important for members to recognise that contributions paid to LGW not only provide cover for a particular year but also represent an investment in the mechanism for achieving long term cost control.

Liability Insurance Crisis

Through involvement in LGM Queensland the LGAQ was able to directly observe developing elements of the current insurance crisis. Towards the end of 2001 investigations were commenced into establishment of a self-insurance scheme for community groups. Work was also concluded on the joint LGM / LGAQ submission on limiting Local Government liability exposure. This work positioned the LGAQ to take a direct role in State and Commonwealth Government responses to the crisis.

The LGAQ was invited to participate on the Queensland Government Public Liability Insurance Taskforce. Following the work of this Taskforce a State Government sponsored group insurance program for not-for-profit community groups will commence by September 2002. The program will assist in stabilising costs and ensure liability insurance cover is available for all not-for-profit groups. Most of the procedural reforms supported in the joint LGM / LGAQ liability submission were introduced in the Personal Injuries Proceedings Act. The Queensland Government is also committed to considering a second stage of legislative reform where the LGAQ will be pushing strongly for the remaining components of the joint submission dealing with liability exposure of public authorities to be addressed. The LGAQ is also part of the Local Government team involved in meetings of Commonwealth and State Ministers intended to promote national consistency in major legislative reform affecting liability insurance costs.
Business Information

Marketing Plan

During the process of approving the Association’s corporate plan, the executive also adopted a five year marketing plan. This plan is not only about promotion but is also aimed at the optimum use of resources, building relationships with stakeholders and providing maximum satisfaction through the most effective deployment of resources. The major influences on the development of the LGAQ marketing plan has been the results of the member and community attitude surveys conducted over the last eight years. Although the member attitude surveys have revealed extremely high satisfaction rates amongst LGAQ members, the executive is determined to be even more effective through the implementation of its marketing plan.

A key component of the marketing strategy is ensuring that local government remains as the most effective and relevant sphere of government in the eyes of the community. This fact has been strongly supported by successive community attitude surveys conducted by the association.

Over the last five years, the LGAQ has coordinated Local Government week on behalf of Queensland Councils. Approximately 80 councils around the state participated in Local Government Week from 13 – 19 May 2002. Media reports and feedback gathered in the evaluation from councils indicate the Week was a success in raising awareness of the role of local government.

Some councils simply participated in the LGW Colouring Competition whilst others organised very ambitious programs for the week and in so doing made Local Government the focus in the lives of many people.

Local Government Week was well supported by the media. Across Queensland, the 2002 event generated 115 press items and 22 broadcast items, including television coverage in Toowoomba, Mackay, Bundaberg and Rockhampton. All media coverage was positive with similar press and broadcast coverage to that achieved last year. As experienced in previous years, the strongest media support is predominantly from the metropolitan and regional areas.

Information and Knowledge Sharing

More and more the LGAQ and its member councils rely on vast amounts of information and knowledge transfer. The amount of knowledge and information contained within the LGAQ is enormous and must be accessible to membership if its value is to be maximised. To this end the association has over the last two budgets and going forward into 2002/2003, directed significant resources toward harnessing technological solutions in order to increase information flow and knowledge transfer.

LGAQNet has been in operation for seven years and still provides the key communication mechanism between councils and its association. The LGAQNet medium has moved to a combination of closed network and web accessible platforms which provides the required access flexibility.
The association has concluded the implementation of its knowledge management system (KARMA). This system is currently supported by the Queensland Treasury Corporation and provides a technology driven means of capturing and sharing information throughout the LGAQ. The aim over the next two budgets is to broaden the base for knowledge sharing to member councils and other security cleared external agencies. This sharing of knowledge will be through secure open access using web browser technology.

This means that ultimately councillors and staff, with accredited security clearance, will be able to access a word processed report, the day it is released, using web browser. Through the use of publishing software, subject matter of interest will be made available to individuals without the need for time consuming searching and/or browsing.

**Business Operations**

**Local Government House**

Local Government House at 25 Evelyn Street Newstead continues to provide both cost effective accommodation for LGAQ operations and accommodation for strategic business partners such as Jardines Lloyd Thompson the managers of Local Government Workcare and Local Government mutual.

Local Government House is a refurbished warehouse building in an area of Brisbane which is undergoing a shift from industrial to a mixture of residential and commercial. Its value continues to rise and will do so even more over the next decade as the area transforms. Its situation is strategically placed between Brisbane CBD and the airport which maximises its accessibility to members and other stakeholders.

The building remains fully tenanted and is being used more and more by visiting councils for meetings and interviews. A specific facility is available for visiting councillors and officers to use as an office away from home.

**Finances**

Appendix 3 Annual Accounts, contains the Association’s consolidated and audited financial statements for the year ending 31 May 2002.

Towards the end of 2001, the Queensland Audit Office indicated that due to a change in the definition of a “public sector entity” in the Financial Administration and Audit Act, the LGAQ was now subject to that Act and, consequently, their audit.

Grant funds are treated quite differently by the private sector and public sector entities. The LGAQ is now required to record grant funds as revenue in the year that they are received. This means that LGAQ income and expenditures are inflated for 2001/2002 as compared with the budget and 2000/2001 results. As can be seen in the statement of financial performance, revenues have grown by $4.3m and expenditures by $3m.
The net assets of the Association and its wholly owned subsidiaries as at 31 May 2002 are $4.6m which represents an increase from the last period.

**Local Buy Pty Ltd**

Local Buy Pty Ltd is a fully owned subsidiary of LGAQ and was formed on the basis of taking the existing CAPS business forward under a corporate entity and to further develop and implement an electronic procurement marketplace to be offered to all Queensland Councils and State agencies.

The executive appointed a five person board of directors to provide corporate governance and a degree of hands on professional assistance:-

- Mr Graham Grundy – Chairman
- Cr Noel Playford OAM
- Mr Greg Hallam PSM
- Mr Bill Simpson
- Mr Ian Leckenby

The contract management side of the business (formerly CAPS) offers fully tendered arrangements to councils. The Local Government Act enables councils to purchase goods and services off these contracts without the need for further tendering processes. This saves both councils and suppliers enormous time and money. It is this value proposition that sees this side of the Local Buy business go from strength to strength.

The latest offering from Local Buy is a fully operational electronic procurement system that allows councils to purchase goods and services using the world wide web (internet). Local Buy has an arrangement with a technology consortium which provides the procurement engine so that councils and their suppliers only need to download a free web browser to gain access to available catalogues.

So that the provision of this service is sustained by its own revenues, this offering will be incrementally introduced to strategic groupings of councils. The costs of the technology solution are managed through the scale of procurement throughput.

**Database Development Services Pty Ltd (DDS)**

DDS is also a wholly owned subsidiary of the LGAQ and has as its core business the hosting of shared informational databases such as LGAQNet and South Australia’s LGANET. The last twelve months has seen DDS become a fully accredited application hosting provider and well positioned to take such offering to the market.
People and Performance Branch

The Branch took full advantage of its new structure throughout the year and engaged in finding a changed strategic direction for training and development, while undergoing a significant analysis of the industrial relations and enterprise bargaining policy and advice framework. Working on advice gained from members over the year, a new focus on enterprise bargaining was formed, which was welcomed at large by a membership grappling with bargaining fatigue.

The conflict between fee-for-service and member service became less apparent, as members engaged in broad discussions with branch officers on the changing constructs, through the Training Consultative Group and the Human Resources Consultative Group, as well as through visits, calls and presentations.

Industrial Relations

A number of important industrial issues were debated throughout the year at both state and federal level. They all have the capacity to impact on Local Government and its workforce, so LGAQ provided advice and submissions where possible. Three issues of significance were Paid Maternity Leave, Workplace Bullying and Pay Equity.

Paid Maternity Leave

The Federal Sex Discrimination Commissioner, Human Rights and Equal Opportunity Commission released a Paper titled “Valuing Parenthood – Options for Paid Maternity Leave: Interim Paper 2002.” After seeking advice from our members, a submission on behalf of Local Government was presented to the Commission indicating opposition to the concept being developed in a regulated way. Certain Councils grant paid maternity leave as part of enterprise bargaining and the Association supports that approach.

Workplace Bullying

The Queensland Government appointed a Taskforce to examine the issue of bullying in the workplace, and released a report containing 19 recommendations, which will be considered by Cabinet. On behalf of Local Government, the Association presented a submission to the Taskforce and argued that industries should be encouraged by means other than legislative changes that positive and proactive workplace bullying policies reduce both the incidence and impact of workplace bullying.

Pay Equity Inquiry

Arising out of the Pay Equity Inquiry conducted by the Queensland Industrial Relations Commission, the Commission dealt with an application to establish an Equal Remuneration Principle as recommended in a report to State Government. The Commission issued a Principle by way of a Statement of Policy effective from 1 May 2002. Claims are likely to be filed in respect of Dental Assistants and Child Care Workers, the latter group being part of the Local Government workforce.
Enterprise Bargaining

Enterprise bargaining continues to be the mechanism by which 118 of the 125 Councils in Queensland regulate all, or at least some part of, their wages and conditions of work. During 2001, members indicated a high level of bargaining fatigue, and in response, LGAQ formed a new policy direction and began to advocate business case bargaining. Councils are encouraged to approach agreement-making from a business perspective and tie it to their Corporate Plan, rather than treat the Agreement merely as an industrial implement. Councils are also encouraged to roll an Agreement over, rather than sacrifice just because an end date has been reached. As the two major unions in Local Government, the Australian Services Union and the Australian Workers Union, also report a high level of bargaining fatigue amongst members, we believe our new strategy is widely acceptable.

LGAQ intervened during the year in the Bargaining Agents Fee Case, arguing that the fee was not appropriate given the levels of union membership in Local Government, and given that the fee was not pertinent to the employment relationship. This position has been upheld in the State jurisdiction, but is subject to appeal to the High Court in the Federal industrial jurisdiction.

Employment

The annual survey undertaken to establish employment trends in Local Government revealed that employment dropped by 407 to 32,965 as at June 2002. This is mainly as a result of a sharp drop in female casual employment, offset by a rise in permanent female employment. The survey also revealed that there was a 50/50 split between Federal Award and State Award numbers.

Industrial Commission

The Association’s involvement in the Federal and State Industrial Commissions on behalf of members shows a significant trend to industry related matters. This is particularly so in the State Commission as illustrated by the following:-

**State Wage Case**

Claims by unions to flow on the decision of the Australian Industrial Relations Commission were granted with $18.00 per week increase to apply to all Award rates effective from 1 September 2002. The increase granted under the *Queensland Local Government Officers’ Award 1998* will operate from 21 September 2002.

**Award Review**

In accordance with Section 130 of the *Industrial Relations Act 1999*, the Queensland Industrial Relations Commission was required to review all State Awards prior to 30 June 2002. In view of the fact that there are a significant number of Awards in the State Commission, the program was not completed on time. However, the Association in conjunction with the relevant unions, finalised the review of the key State Award in Local Government namely, *Local Government Employees’ (Excluding Brisbane City Council) Award – State* and submitted it for approval prior to 30 June 2002.
Award Classification Structures (Local Government Employees’ (Excluding Brisbane City Council) Award – State

Unions involved with this Award filed applications in the Queensland Industrial Relations Commission seeking a skill based classification structure. Discussions are continuing with the unions with report backs to the State Commission. Short of any agreement, the unions are likely to seek arbitration of their claims.

Building Trades Public Sector Award – State

The Plumbers and Gasfitters Employees’ Union made application to the Queensland Commission to vary the Award in order to establish a new classification structure for plumbers. The matter remains the subject of discussions with the union.

Human Resources

A number of Councils over the past twelve months sought fee-for-service consultancies from the LGAQ with particular focus on the recruitment of Chief Executive Officers, Directors and senior management positions as well as review of salary levels. There was an increase in services related to organisation reviews and position reclassifications.

Training and Development

Elected Member Update 2002

Four teams of LGAQ Directors and staff conducted 21 one-day update workshops throughout Queensland in February to provide Councils and senior staff with important information on current and emerging topics affecting local government including key issues such as:

- proposed Roads Alliance
- natural resource management
- Native Title Legal Advisory service
- financial management program
- enterprise bargaining
- local government on-line (Local Buy; Networking the Nation).

Over 350 people participated in the program and LGAQ is proud to again have had the opportunity to work with so many of its members in their regions.

Foreman’s Forums 2002

The fourth round of Foreman’s Forums was conducted in six regional centres around Queensland in April, May and June 2002 to assist road construction and maintenance supervisory staff further develop their technical and supervisory knowledge and skills. This year’s program was attended by over 190 participants and focused on skills relating to team development/leadership skills and measuring/calculating civil materials. The Forums were also conducted in-house for five councils specifically requesting this service.
Specialist Training Programs

In conjunction with experts in specific fields, LGAQ presented both regionally and in-house by request, a wide variety of specialist training programs which catered for staff in diverse areas within councils, including:

- Animal Management
- Investigation Skills
- Accidents and Incidents Investigations
- Community Consultation (three levels offered depending on requirements)
- Managing the Media and Advanced Media Skills
- Understanding Local Government in Queensland.

Staff Training Programs

LGAQ offered a selection of training courses for Council managers and staff designed to challenge thinking and develop skills in relation to the following:

- workplace communications
- human resources and industrial relations practices
- customer service
- business skills
- management and supervisory skills
- finance.

Seminars and Events

PPB, working in partnership with Policy and Research Branch and Business Support Branch, managed a number of seminars and events over the year. The new delivery model was formed to extract maximum efficiency and consistency of quality by having a dedicated events coordinator managing all LGAQ events and seminars.

They included the library seminar, *Get Smart – Bringing People and Technology Together*; the HR seminar *HR 2002 – The Essential Update*; Civic Leaders Summit 2002 – *Halfway to Where*?; and the 7th Annual Queensland Road and Transport Forum.

Employment Project

The successful *Breaking the Unemployment Cycle* project was extended for a further twelve months, as a result of LGAQ exceeding all benchmarks in the original contract and securing funding assistance for 1,274 full-time trainee positions within Local Government to a value of $M20.5.

In March 2002, the State Government extended funding assistance to employers of school-based apprentices and trainees to include Local Government. This part of the program resulted in Councils taking up a further 83 positions.
Summary

The past year can best be described as frenetic with the LGAQ moving proactively on many fronts setting policy agendas, restructuring its operations and staff and introducing and improving new services.