LOCAL GOVERNMENT ASSOCIATION OF QUEENSLAND INC.

LGAQ
Executive Report to 112th Annual Conference 2008
Introduction

Delegates and Observers

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

In recent years, the Executive Report to member councils has covered the major influences on councils and changes in the operating environment in which the state’s 73 councils operate. Additionally, the report has discussed on the strategic direction and policies of the LGAQ and its owned or partially-controlled entities, as well as the more significant achievements and initiatives of the Association over the past year.

For a complete coverage of the Association’s mission statement, goals and objectives, policies, programs, activities, publication, staffing, etc., please visit LGOnline at www.lgaq.asn.au.

EXTERNAL ENVIRONMENT

The 12 months gone has been cathartic for the institution of local government in Queensland and all who serve within it. Most significantly, on 15 March 2008, the number of local governments in Queensland was reduced from 157 to 73. This was despite the fact that all bar one of the 85 communities that participated in federally-run and funded plebiscites rejected amalgamations of our councils – three-quarters by an absolute majority of voters. The ensuing five months has seen amalgamating councils grapple with costs affecting the joining of councils. The other defining features of the period were the vast consequences of the resources boom, and of course the historic election of the Rudd Labor Federal Government at the end of 2007. In no small way, this was a historically defining year for the sphere of government closest to the people.

The historic and unprecedented resource boom is transforming Queensland, particularly rural and regional communities. While acknowledging the great wealth, prosperity and employment it is generating, local government is being severely impacted in a number of significant areas. The boom has pushed up the cost of construction according to the Australian Bureau of Statistics by 10 per cent across the state in the last 12 months and that figure rises to as high as 30 per cent closer to the mining and energy communities. It has also placed enormous pressure on council workforce retention in all councils, particularly those councils in resource regions. Furthermore, significant damage to local roads is occurring. Finally, many coastal provincial communities are heavily impacted by flying-in/flying-out mining workforces.

There was a palpable change in community attitudes towards development issues, mostly arising from the Woollongong City Council corruption scandal and a range of recent planning-related issues involving the Queensland Government. That sentiment was manifest in the results of the local government elections which saw a strong anti-laissez faire attitude to development, as well as an anti-amalgamation and an anti-establishment vote.

Importantly, polling undertaken by the LGAQ through ADS Pty Ltd confirmed, that the community primarily held the State Government as the responsible and offending party in relation to housing affordability and development matters. All elected members in all levels of government need to note the change in community sentiment, especially the plea for balanced or managed growth.

Federal Government

The last year saw the passing of the long term Howard Coalition Government and the advent of the Rudd Labor Government. It would be remiss not to recognise the many positive achievements for local government arising out of the Howard era - most noticeably road funding to our sphere of government. Quite unashamedly, the Howard Government had a rural and regional bias. Of note is the fact that this administration did not address the primary issue of vertical fiscal imbalance during its reign - local government’s share of federal taxation had halved during its 12-year reign.

The Rudd Government has of course a bold policy agenda of its own with a more city-oriented focus. There is no doubt that in a relatively short period of time this government will have a major impact on councils in areas such as roads and transport, climate change and environment, community health, water and housing affordability.

Most significantly the Rudd Government has firmly put the question of constitutional recognition on the agenda, promising to put the issue to the Australian people in its first term of office.

This has resulted in the Australian Local Government Association (ALGA) doing much work to develop an acceptable question that both advances local government’s cause and passes muster with a majority of votes in a majority of states. The LGAQ has played its part in engaging its members on the issue.

At the time of writing, regrettably, the Federal Court has yet to rule on the question of the coverage and application of the federal WorkChoices legislation to Queensland councils, i.e. the matter of what constitutes a trading corporation. The LGAQ joined and funded the Etheridge Council’s case in the Federal Court in November 2007.

While the State Government moved in advance of the Federal Court’s determination of the matter to strip local government of its corporation status, the pending decision remains vitally important.

State Government

The relationship with the State Government over the last 12 months is best described as patchy and strained. On the one hand, the Premier continues to reach out and engage our sphere of government and a number of Ministers, departments and public servants continue to work co-operatively and professionally with the LGAQ and its members, while - unfortunately - the LGAQ’s primary relationship with the Department of Local Government, Sport and Recreation is very difficult. The Department of Local Government, Sport and Recreation in some limited instances is actively working against the LGAQ’s and councils interests. On issues such as funding the genuine costs of amalgamations collaboration, engagement, or friend-at-court have all but disappeared.

The Executive, both old and new, has gone to great lengths to determine every matter on its merits – issue by issue - and to seek a co-operative, but mutually-respectful relationship with the State Government. There is no inbuilt prejudice or predetermined position on any matter, nor is there any unstated agenda to settle old scores.

The Executive is wise and sophisticated enough to note that the general tone of the State Government has changed under Premier Bligh. The State Government is more strategically and public policy-focused, but less inclined to consult or engage stakeholders and less media-determined in its resolve to implement long term planning. It has more in common with the Goss Government than the previous Beattie Government. That observation aside, it has adopted a much tougher approach with local government across the board.

The State Government has changed its modus operandi based on its success of splitting Queensland local government’s much revered and politically potent unity over the amalgamation issue. That approach is unfortunately the first resort of a small few within government seeking to advance their own agendas. At times these tactics can
best be described as internecine and straight out of the espionage handbook. It is a huge waste of taxpayers’ time and money and will, ultimately, futile. It certainly has not gone unnoticed by the most genuine impartial and apolitical of observers.

By way of contrast, many examples abound of excellent co-operation, genuine partnership and collaboration between state agencies, LGAQ and councils. Examples include:

- The new round of Road Alliancing with our great friends in Minister Pitt’s Department of Main Roads;
- The state-wide Climate Smart and Water Smart Initiatives through LG Infrastructure Services;
- The innovative and challenging Sustainable Resource Communities Partnership between the Department of Tourism, Regional Development and Industry, the Queensland Resources Council and the LGAQ to guide development in the Bowen, Galilee and Surat Basins; and,
- The $4 million annual apprentice and older worker programs the Association jointly runs with the Department of Employment and Industrial Relations.

The Executive’s stance is if a proposition is good for councils and the communities they serve, then the Association will embrace it with gusto and passion. Enough said!

The LGAQ has done a petitce of work to support councils through the amalgamation process. Our staff is universally recognised by their peers as the true advocates for councils, as well as genuine local government experts. Special thanks go Mr Greg Hoffman, Ms Simone Talbot, Mr Tony Goode and Ms Gabrielle Walsh for their extraordinary support of our members over the past year on pre and post-amalgamation issues. Their work has reinforced to the Executive that for many of our staff, service in the LGAQ is a calling, rather than a career or a job. Local government is truly fortunate to enjoy the level of dedication and expertise it receives from its Association staff.

The Association continues to vigorously pursue the State Government over funding of amalgamation costs and will not be deterred by attacks on the Association’s motives and integrity on this matter. No amount of filibustering will deter the Executive from seeking the financial help councils need to meet the one-off costs of amalgamation.

Of particular concern to the Executive was the lack of professionalism displayed by the Electoral Commission of Queensland (ECQ) in its conduct of the 2008 Local Government elections. The State Government has sought to dismiss genuine and factually-supported criticisms of the ECQ’s handling of the election as anti-amalgamation rhetoric. That is a highly dangerous stance to take - to sweep the ECQ’s poor performance under the carpet and not properly address the root causes of the problems.

Congratulations should be offered to the Department of Local Government, Sport and Recreation for the quality of work to date in developing a new Local Government Act. While it is a work in progress and is yet to reach detailed drafting stage, it has the portents of addressing the most important and pressing issues impacting on the operation of our sphere of local government. To date, the Minister and the department have listened and taken on board much of what the LGAQ and councils have said to them on this particular issue.

It would be remiss not to note the curious decision of the State Government to remove local government’s corporate status and replace it with a form of legal personality unique in the western world and described by eminent legal minds as “novel”. The Executive opposed this development and continues to advocate for the sensible and timely restoration of councils’ corporate status. It is genuinely hoped that no unintended consequences arise from this diversion from long-tested and accepted legal nostrums and doctrines, beyond those that have already emerged.

Congratulations should also be extended to the State Government, Queensland Health in particular, for funding its decision to fluoridate the State’s drinking water supplies. The Association had called on the State Government three years ago to take responsibility for this matter. The Executive’s insistence has paid dividends with generous funding to install and operate the necessary fluoridation equipment.

Other matters that require noting include the State Government’s increasing interference in local government industrial relations matters, a worrying development and ultimately an issue the Executive will respond to formally through the appropriate tribunals if it persists. Equally of concern, is the State Government’s continuing dalliance with the development community and their self-interest and perverse anti-local government/anti-community agendas. The Executive has funded a veritable mountain of research papers and polling over the last year to effect some balance in the public debate. The LGAQ has been steadfast in opposing independent development assessment panels and has secured a commitment from the Premier that it will not be implemented.

Finally, the State Government continues to refuse to rule out the introduction of a landfill levy - an initiative the Executive implacably opposes. Our position is based on comprehensive research undertaken for the Association by Australian Economic Consultants (AEC) Group that such a levy will not alter behaviours by householders or the producers of waste, would be regressive in its application and the levy - more than likely - end up in consolidated revenue in State Treasury.

The Association

The Association itself underwent a dramatic reform arising out of amalgamation. A special conference in December 2007 passed rule changes to reduce the size of the Executive from 18 to 14 and restructured Executive electoral districts and annual conference voting entitlements. A new Executive took office from 1 June 2008 and has met three times prior to the Annual Conference. Nine new members of the Executive were elected with 10 of its members representing large urban councils. Cr Paul Bell AM was re-elected unopposed as President at the close of nominations. He is the first President to be afforded that honour and level of support since Cr Tom Pyne in 1996.

Both the outgoing and incoming Executive placed great emphasis on member engagement during the trials and tribulations of amalgamation. The President, Executive and Association staff have been involved in hundreds of hours of face-to-face meetings with councils across the state, prior to and after the March 15 elections.

Post the March elections, the Association has touched base with Mayors and CEOs on at least three occasions and in some instances up to half-a-dozen times, through a planned engagement program which saw the production of the first ever Mayor’s Handbook,
The LGAQ continues to argue for serious reform; a new valuation system, state-sponsored bulk procurement of major infrastructure and shared service operations as fundamentally important and required reforms.

Importantly, the Association has not retreated from its leadership role in advocacy, research and business innovation. The reform process has not changed that fundamental culture of the Association. The Executive has stressed the need to be proactive rather than reactive. The Association has been planning for the future and anticipating and preparing itself and councils for the changes ahead. The LGAQ continues to argue for serious reform; a new valuation system, state-sponsored bulk procurement of major infrastructure and shared service operations as fundamentally important and required reforms.

The LGAQ continues to do serious externally funded research into a wide variety of matters affecting our members. Over the past year, consultancies have produced work in the following areas:

- Carbon Accounting and Emissions Trading
- Climate Change Implications and Risk Assessment for Local Government
- Information Communications Technology Integration
- Liability Insurance Market Options
- Local Government Skills Shortages
- Future Local Government Skill Needs
- Local Government Employment - Identification of Attractors for Recruitment
- Attraction and Retention of Planners
- Retention of Local Government Older Workers
- Negotiating Certified Agreements and Enterprise Bargaining Templates
- Cost Benefit Analysis of Economic Instruments for Waste Management
- Skilled Migration impacts on Local Government
- Asset Accounting (Valuation and Depreciation) and Management
- Social Infrastructures and Inhibitors
- Disaster Management Corporate Planning
- Youth Council Models, Frameworks, Best Practice
- Roads Data Hub System Expansion

Over the last year Resolute, the LGAQ’s wholly-owned ICT subsidiary, won the coveted US farm technology innovation award for its remote sensing telemetry devices, while LG Infrastructure Services (LGIS) has developed a carbon emissions audit and trading function for councils. Furthermore, LGIS, in conjunction with the Commonwealth Bank, is currently undertaking a survey of local government’s fuel needs to ascertain if it is possible to establish a fuel hedge facility for councils. The LGAQ also continues to innovate in the learning and development fields with a new diploma of Environmental Health and a new diploma of Financial Management Services being offered. A similar qualification in libraries is also being explored.

The Association’s stable of wholly or half-owned businesses continues to grow and prosper and add value for our members. All the businesses experienced growth in profit - a remarkable outcome given the turmoil in local government from amalgamation. LGIS became profitable 12 months ahead of forecast, while QPG – LG Shared Services is also in front of its break-even schedule and performing exceptionally well in its Ipswich operation.

The LGAQ is by far and away the most dominant of all the major peak bodies in Queensland. The Association was mentioned three times more in the State Parliament as any other any peak body. Moreover LGAQ was mentioned more than 5000 times in all forms of the media over the past year - a record.

The LGAQ manages to secure feature articles in the Courier-Mail, other major provincial newspapers and the Queensland Country Life. The Association also established its presence on YouTube and FaceBook to reach out to younger audiences. Most encouragingly, our media projection abilities have not diminished post the March 2008 elections. The LGAQ is still regarded as a highly credible, expert and largely politically independent news source. It is still regarded highly by editorial staff and management in the electronic and print media.

The Directorate

The last year has been a huge one for Association staff with many people making extraordinary efforts to support member councils during their difficult times. It was also significant in that three senior, well-known, talented and highly productive staff left the Association, Mr Steve Greenwood joining the Property Council as its Executive Director and Messrs Allan Vincent and Ray Clough retiring.

Of particular note during the year was a month-long survey of incoming phone calls from councils which was of some surprise to the Executive and staff. We had subscribed to the belief that the greatest users of our resources and staff time were small councils, when it was in fact the larger local governments. Some rang as often as 150 times in one month - a revelation. Measures have been taken to implement a new ICT system that will automatically capture all those transactions.

During the year telephone calls and mobile phone calls have grown to 890 per day on average, while the number of actionable emails and faxes was 715,742. The LGAQ dispatched 701,555 emails or faxes.

During the year, the LGAQ received 3084 items of correspondence and produced 10,848 outgoing letters. Association staff, with Executive sign-off, made 78 submissions to State and Federal Government inquiries on a variety of matters.

Association staff attended over 60 ALGA, district association, ROC, other groupings of councils and professional body meetings or conferences. Industrial Relations staff responded to 5015 requests for advice or information and made 21 appearances in the state or federal Industrial Relations Commissions. Finally, LGAQ produced 417 circulars and 95 news releases.

Policy and Representation Branch

Local Government Reform

The events of the last 12 months have been indeed challenging for both councils and the Association. In this period the Association actively worked on reform matters through its participation on the State Transition Committee (STC) - the state-wide group tasked with developing and oversighting the reform framework, as well as directly assisting
councils either through the development of resources and guidelines or through individual contact on particular matters. Additionally, the Association continued to raise public awareness about the amalgamations through a proactive engagement strategy with the media, which resulted in the issue being reported on extensively across Queensland.

Through participation in the STC - which met on a fortnightly basis, the Association contributed to the following:

1. Local Transition Committee Guidelines;
2. The Workforce Transition Code of Practice;
3. The myriad of reform legislation and regulations;
4. Frameworks for tax and accounting matters, including end of year financial reporting and budgeting processes;
5. Transitional Rating processes;
6. Transferring Allocations Methodologies;
7. Transition Action Plan Guidelines;
8. Issues pertaining to the conduct and costs of the Local Government elections;
9. Issues pertaining to “changeover day”, such as CEO transmissions and the status and payment of Councillors; and
10. Legal issues relating to the de-corporatisation of Queensland Councils.

Also, throughout the deliberations of the STC, the Association continued to lobby the Government about the need for ongoing funding to support the amalgamation activities of councils. The Association is still currently pursuing this matter with the Government.

In addition to the work that was progressed through the STC, LGAQ also contributed to the work of its two sub-committees - the Staff Support Sub-Committee and Indigenous Sub-Committee.

Activities progressed directly by the Association during the last 12 months to assist councils with the reform process included:

A revised Customer Relationship Management (CRM) Strategy to support Interim and Acting CEOs.

Distribution of the Reform Report - a fortnightly email to all LGOnline subscribers providing up-to-date information on all aspects of the reform agenda.

Development of LTC Websites - the LGAQ offered to develop public websites for all Local Transition Committees (LTCs). These websites were pre-populated with basic information on the reform process and electoral arrangements for 2008. Most LTCs took up LGAQ’s offer to develop the websites.

Guidelines and Toolkits - LGAQ and its subsidiary bodies prepared a number of resources to assist councils with various elements of the transition process. Documents developed included:

- Workplace Relations Guide to Transition: Advice to Interim CEOs and affected CEOs
- Tips and Tricks for Change Management
- Management of Change Toolkit (in collaboration with LGMA)
- Amalgamated Youth Development Guidelines
- Local Government Workcare (LGW) Workplace Health & Safety Tool for Amalgamating Councils
- Local Government Infrastructure Services (LGIS) Accommodation Model
- Resolute Information and Communications Technology Checklist
- Guidelines for the Merging of Planning Functions
- Disaster Management and Amalgamations Checklist
- Professional and Technical Support Weblinks

Additionally, LGAQ convened Transition Seminars for LTC chairs and Interims CEOs as well as special forums for local government professional associations.

Regional Risk Coordinators - LGW and Local Government Mutual (LGM) Queensland have significantly expanded their services to member councils by providing regionally based Risk Management Co-ordinators. These officers will work with councils through senior management to facilitate continued development of risk management and governance arrangements in new councils.

LGAQ Symposium - the program for the Symposium in April 2008 was developed specifically to focus on reform related activities for new councils as well as key governance issues for newly elected councillors. The Symposium was well attended and feedback from councils indicated the program was well received.

Submissions to Remuneration Tribunal - LGAQ made several submissions to the Remuneration Tribunal, which included a meeting with the Tribunal to discuss LGAQ concerns and issues.

LGAQ also provided a framework and an ongoing advisory service to assist councils conduct local polls (plebiscites) on the amalgamation issue, despite State Government efforts to first ban, then fine councils that proceeded with conducting polls. Eighty-five councils proceeded with polls, with the outcomes indicating that 77 per cent of all respondents voted against the question of amalgamation.

As part of the Association’s efforts to ensure councils could proceed with conducting polls, the LGAQ also made a submission to, and participated in the Federal Government’s Senate Standing Committee on Finance and Public Administration’s Inquiry Into the Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007.

In summary, Queensland councils have undertaken a significant amount of work in the last 12 months. Timelines relating to the appointment of Local Transition Committee Chairs and Interim CEOs as well as Transition Actions Plans deadlines were all met despite the difficult circumstances in which these activities had to be completed. This is testament to the skill, professionalism and commitment of council elected members and officers.

Finance and Administration

FUNDING ASSISTANCE

The State Government’s 2008-2009 budget maintained commitments continuing from the previous year for funding programs for local government. Again, there were relatively few new funding programs announced this year.

There is concern that, to date, the state has been inconsistent in its attitude on funding assistance for the additional costs faced by councils amalgamated under the Local Government Reform agenda. LGAQ is continuing to seek further funding assistance for affected councils.

TAXATION AND REVENUE

Valuation of Land

Site valuation is local government’s preferred method of land valuation for urban properties. The Association is represented on a Valuations Methodologies Review Reference Group set up by the Department of Natural Resources and Water, but there is currently little prospect of moving away from Unimproved Value (UV). Most
recent discussions with relevant officers suggest that the State Government is not interested due to the possibility of unknown impacts and outcomes.

**Rating Service**

Councils have continued to use the Association’s rating service, providing advice on contemporary rating and revenue-raising arrangements. The service has been particularly well used in the last few months as councils grapple with the merging of different rating systems. Increased knowledge and focus on rating now has all but a handful of councils using differential rating.

**FINANCE AND GOVERNANCE**

**Finance and Governance Reference Group**

This group met twice in 2007/08. One of the major projects was to discuss and comment on the questions and issues raised in the Local Government Act Review papers No 1, 6, 7, 8. This discussion assisted and informed the Association’s submissions on the Local Government Act review issues papers.

The other major project to be addressed by the reference group relates to risk management and requirements under Local Government Finance Standards. LGAQ now has an online resource to assist councils in meeting the requirements of the standard.

**Asset Management**

The Backroom to the Boardroom program remains the asset management flagship program for the LGAQ. The feedback from councils has been very positive, with amalgamated councils successfully using the tools provided to them through the LG Asset training.

LG Asset has been extremely successful, with 80 percent of councils participating in the program. Participating councils have access to the LG Asset consultants for four days during the program. The council participation and completed visits are set out in the accompanying table.

LGAQ has ensured all councils have full access to the programs resources in line with the pre-amalgamation agreements.

![Participation Table]

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LGAQ has also been involved in a number of other asset management valuation and depreciation initiatives, including development and publication of the “Councillor Guide to Valuation and Depreciation Asset Accounting in Local Government.” This guide provides information about depreciation, valuation of assets and methodologies for Queensland Local Government.

In response to requests for ongoing information on asset accounting and asset management LGAQ has delivered five Asset Accounting Workshops. These workshops are a “From the Backroom to the Boardroom” LG Asset initiative and have been structured to develop a whole of organisation interaction on valuation, depreciation and funding of assets for Queensland councils. These workshops have been very well attended and generated positive feedback.

**Legislation Reviews**

LGAQ provided input and comment to a number of legislative amendments that occurred during the last year. In a period of tumultuous change, with limited time made available to the Association for comment, many matters raised by the Association were considered and adopted to minimise adverse impacts on councils. The experience and knowledge of local government held by LGAQ helped prevent some of the more unfortunate legislative amendments proceeding. In particular, LGAQ presence on the State Transition Committee (together with LGMA representatives) resulted in amelioration of many possible impositions on councils, elected members and staff.

**Local Government Act Review**

The Association lodged a comprehensive submission on the review of the Local Government Act following consultation with member councils and conducting a workshop with CEOs. The key issues focused on in the submission were as follows:

1. Autonomy of Local Government and recognition of Local Government as a legitimate sphere of government
2. The existence of a general competency power for Local Government
3. Legislative flexibility enabling Local Government to respond to state-wide flexibility
4. Less legislative prescription also enabling flexibility and autonomy at the local level
5. Categories of Councils
6. Regional collaboration and joint service delivery models
7. Planning, engagement and reporting, and
8. Interventions

In general terms, the responses from the Minister and department in several meetings are in line with the Association’s submissions but certain proposals require further clarification including categories of councils and interventions.

The Association will continue to take a proactive role following the introduction of the Bill for the new Act due in October 2008 and prior to its debate in Parliament in February 2009.

**Diplomas in Local Government Administration**

The Association has developed and continues to offer formal courses with nationally recognised qualifications (Diploma level) in the areas of Financial Management Services and Governance and Administration.

These courses are well structured, and meet the LGAQ aim of improving the capacity, skills, knowledge and experience of officers and elected members working in local government in Queensland.

Indications are that while the workload for officers arising from amalgamation and reform has impacted on the number of candidates undertaking the courses this year, there should be a full complement of participants for 2009 and onwards.

**Governance for Elected Members (GEM)**

The GEM workshops have been attended by over 350 elected members and officers from 51 councils since the completion of the 2008 quadrennial elections.

The content was developed in house and delivered by LQAQ Directors and senior officers, and has been well received by attendees as being a timely explanation of the role and responsibilities of elected members.
Some of the key projects and outcomes for 2007/8 include:

- **Youth Development in Local Government continues to build and strengthen. The Youth Policy role aims to build the skill and capacity of local government to acknowledge and engage young people as legitimate community members and stakeholders who possess the rights and responsibilities of citizenship.

- **Youth**

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  - **Youth Council Resource** · ‘Formula Y’ is currently being developed in conjunction with Youth Development Officers to provide useful frameworks and processes to assist Local Government to engage young people through a youth council.

  - ‘Amalgamated Youth Development’ is a resource developed to assist youth/community development officers going through the amalgamation process.

  - The Youth Development and Local Government Forum was attended by over 50 delegates. The forum explored current trends, practice, opportunities and amalgamations. The focus of the forum was to better equip staff and councils to better engage young people in local government business.

- **LAMP**

  - The Local Area Multicultural Partnership (LAMP) Program is currently in its 10th year. The State Government has extended funding until December 2008 and is currently planning a further roll-out of the program.

  - However, the state has not committed to funding beyond June 2009, and there is reason to be concerned that it might not support the continuation of this program at a time when the need across the state is growing with increased intake of skilled migrants in an increasing number of towns and cities and despite a highly positive State Government-commissioned evaluation report released in May 2008.

  - A key outcome for the year was the development and dissemination of a research report into the impact of skilled migration onto councils in regional and remote communities, *what makes a Welcome?* launched in Charleville by Murweh Shire Mayor Cr Mark O’Brien. This research is a first for Australia and provides decision-makers with implications of councils of demographic changes happening across the State through skilled migration.

  - The Association is working with councils to develop an advocacy strategy and present a case for the value proposition that this program represents. The Association has held two well-attended forums for Councils to contribute to a vision for the program into the future.

- **Community Development and Human Services**

  - **COMMUNITY DEVELOPMENT**

    - **Youth**

    - Youth Development in Local Government continues to build and strengthen. The Youth Policy role aims to build the skill and capacity of local government to acknowledge and engage young people as legitimate community members and stakeholders who possess the rights and responsibilities of citizenship.

    - Some of the key projects and outcomes for 2007/8 include:
      - ‘Red Alert!’ · Launch and distribution of the Red Alert! a resource of digital stories made by young people from across Queensland in relation to disaster management. Digital stories are a collage of young people’s voices, artworks and story-telling of their experiences in cyclones, bushfires, severe storms and flooding.
      - ‘Get Ready Kidnas’ · Launch and distribution of ‘Get Ready Kidnas’ a resource of games, activities and information that will assist children and their families before, during and after a disaster event.
      - **Youth Council Resource** · ‘Formula Y’ is currently being developed in conjunction with Youth Development Officers to provide useful frameworks and processes to assist Local Government to engage young people through a youth council.
      - ‘Amalgamated Youth Development’ is a resource developed to assist youth/community development officers going through the amalgamation process.
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- **Libraries**

  - **The Expanding Horizons: positioning Queensland public libraries for the future 2007 - 2011 was developed as a partnership with the State Library of Queensland and the Queensland Public Libraries Association. This strategic planning document has been endorsed by all parties and will be implemented through the public library system over the next five years.

  - A key aspect of the implementation plan is the newly-launched Diploma of Local Government Administration (Library and Cultural Services). This course is, initially, being run as a pilot which commenced last month and is designed to bridge the gap between library and cultural service provision and the broader strategic agenda of local government.

  - This work will be taken to another level in 2009 with the exploration of best practice in the planning for and provision of ‘Community Hub’ facilities (libraries, galleries, museums) in both Australia and New Zealand.

  - A comprehensive review of the Library Grant methodology has also been undertaken as a consequence of the reform agenda. The new funding formula is based on the new regions and will be phased in over the next two years.

- **Sustainable Resource Communities Partnership Agreement**

  - The LGAQ had hoped to sign last month a partnership agreement with the Department of Tourism, Regional Development and Industry and the Queensland Resource Council to help build and maintain sustainable resource communities in Queensland. This will be achieved through efforts to improve the quality of life in regions through enhancing positive social and economic effects and ameliorating negative social and economic consequences associated with resource development.

  - The parties aim to agree on a range of strategies that include: targeted and co-ordinated responses to current issues in the Bowen Basin and other developing resource areas, comprehensive regional planning and infrastructure co-ordination, improved social impact assessment, innovative solutions to the provision of affordable housing, high quality health and education services, improved communication and collaboration between sectors and enhanced regulation as outlined in the Sustainable Resource Communities Policy.

- **Affordable Housing**

  - Affordable housing continues to be an issue for Queensland, particularly in areas impacted by high growth. The LGAQ maintains regular engagement with councils and the State and Federal Government on the issue to ensure Local Government’s needs are heard and understood. The Association is represented on the Community Housing Reference Group.

- **Social Policy Reference Group (SPRG)**

  - The fourth SPRG will be reformed in the latter half of 2008. The group is made up of elected members and council officers from across the state. The SPRG assists the LGAQ by identifying strategic direction for local government from a social policy perspective. Members undertake activities that facilitate appropriate representation of local and regional networks to assist in priority-setting for LGAQ.
Planning and Development

The past 12 months has seen the LGAQ continue to play a pivotal role in assisting councils plan for and regulate the sustainable development and growth of their local and regional communities.

ONLINE DEVELOPMENT ASSESSMENT

The Association continued its partnership with the State Government to deliver the Smart eDA Program (SeDA) to enable the operation of the Integrated Development Assessment System online and has been supported by the Department of Infrastructure and Planning with an extension of the SeDA project officer funding for another 12 months at three days per week.

The Association actively sought a collaborative bid under the Housing Affordability Fund (HAF) earmarked by the Australian Government for eDA initiatives. A successful bid was lodged for an integrated eDA project between LGAQ, Department of Infrastructure and Planning and Council of Mayors (SEQ) and official funding announcements are anticipated shortly.

INTEGRATED PLANNING ACT REVIEW

The Association continues its strong representation of local government interests through a variety of mechanisms in the review of the Integrated Planning Act. These include representation on the State Planning Reform Reference Panel, direct representation to the Minister and senior executive officers and participation in various issue specific reference groups and working groups.

A review of data available on council development assessment performance was also undertaken in light of the government's intention to introduce development assessment monitoring. LGAQ has also lobbied to ensure that we are involved in this process but have yet to see signs of effective engagement with the government on this, and a number of other planning reform issues.

In particular, the Association has been very active in ensuring the government is aware of the excellent performance of local government in development assessment processes and our strong position against the use of development assessment panels in Queensland. The Association sought, and achieved, a number of changes to the Iconic Places legislation which improved transparency and accountability.

PRIORITY INFRASTRUCTURE PLANS (PIPs)

The Association lobbied for the extension of the 30 June 2008 deadline for PIPs along with the provision of more support to councils through the provision of the templates for lower growth councils. While in part successful in this objective, the government announced changes to infrastructure charging with little consultation in July 2008.

The Association has been very active in coordinating responses to government, including a comprehensive state-wide review by the Australian Economic Consultants (AEC) Group, and has successfully sought further workshops on a range of issues relating to infrastructure charging which are anticipated during August.

MERGING COUNCIL PLANNING SCHEMES & DEVELOPMENT FUNCTIONS

To assist councils during the amalgamation process, the Association produced A Guide to Merging Local Government Planning and Development Assessment Functions in early 2008. In the coming year it is anticipated that further support will be provided to councils to assist in the development of new planning schemes for amalgamated councils.

DIPLOMA IN LOCAL GOVERNMENT (PLANNING)

The LGAQ’s Diploma in Local Government (Planning) course, developed to assist in resolving problems associated with the shortage of town planners, continues to be in demand with numbers outstripping places.

In the last 12 months the course enrolments totaled 95, which confirms strong ongoing interest and support.
BUILDING

The Association continues to be represented on the Queensland Building Industry Consultative Group and maintaining a satisfactory working relationship with Building Codes Queensland. In the most recent set of amendments to the Building Act, changes improved the ability of building surveying technicians to work across councils and the private sector.

As part of the Association’s skills formation strategy, the Building Certifiers Sub-committee continues to develop strategies to address the shortage of building certifiers, the development of career paths and training strategies.

NATIVE TITLE AND INDIGENOUS CULTURAL HERITAGE

The Association has continued its role as the group representative for many councils engaged in native title negotiations. To reduce the complexity involved in and time taken to complete native title negotiations, a comprehensive Queensland Local Government Indigenous Land Use Agreement (ILUA) template has been completed and widely circulated. This template enables local government to negotiate a tailored package of outcomes (including claims resolution, native title and cultural heritage compliance issues and other practical outcomes) that is co-ordinated, holistic and practical.

ECONOMIC DEVELOPMENT

This three-year project was developed in accordance with the Association’s Economic Development Strategy and has been financially supported through the Department of Tourism, Regional Development and Industry (DTRDI) and Ergon Energy. The Economic Development Liaison Officer position was filled in April 2007 after a five-month vacancy period. Since then, significant progress has been made in the implementation of the Association’s Economic Development Strategy and in representing local government’s position across a range of government policy committees.

The following key outcomes are noteworthy in the preceding 12 months:

- The guidelines, Incorporating Economic Development into Local Government Planning, were developed and released to all councils and received excellent feedback. The guidelines also received “The Strategic Award for Excellence in Economic Development”, Economic Development Australia (EDA).
- Updated and reproduced the content of the guidelines as a web-based tool which was made available on the DTRDI Smart Regions web site in April 2008.
- Seventy-five regional workshops have been held, based on the guidelines, and a number of individual councils have also been assisted in the development of their Economic Development Strategies and promotional campaigns.
- Results of the 2007/2008 economic development survey compiled prior to the local government amalgamations revealed a critical need for further capacity building in this key area. Based on these results, LGAQ proposed a match funding scheme for a range of initiatives to support local government including an extension to the Local Economic Development Liaison Officer (LEDLO) position.

DTRDI have chosen not to provide continued funding for the position; however, Ergon Energy has committed to another 12 months of sponsorship. The Association continues to investigate means of continuing to deliver the Economic Development Strategy and Capacity Building project.

The Economic and Regional Development Reference group met in February 2008 to work on a range of issues including the Tourism Network Review, which will have a significant impact on both local government and local tourism organisations. The Reference group is now being reformed. The new Regional Development and Relationships reference group will be supported by a new permanent LGAQ staff member who will focus on issues impacting on regions, incorporating economic and regional development policy areas.

Environment and Health

The Association continues to pursue a wide range of policy matters and capacity building initiatives to support councils in the protection and effective management of their natural environments.

ENVIRONMENT CONFERENCE

The Association ran the outstandingly successful inaugural Local Government National Environment Conference in Cairns from 9-11 July, 2008. This first truly national environment conference attracted over 140 delegates from across Australia and included speakers from the private sector, all levels of government and academia. Strong trade and association support was also achieved.

Based on delegate feedback, further consideration will now be given to future national environment conferences after discussion with the Executive and other associations. The next conference will be a State conference to be held in Yeppoon in July 2009.

ENVIRONMENTAL PROTECTION ACT REVIEW

The Environment Protection Agency (EPA) is currently undertaking a remake of the Environmental Protection Regulation 1998 as this legislation is due to expire shortly. This remake will also take into account a range of activities that will be devolved to local government from 1 January 2009.

The devolution of activities such as commercial nuisance is of significant concern to councils. Local government does not have sufficient resources to take on this work and the EPA has provided financial assistance of only $2 million for purchase of capital equipment. There is no provision of funding or assistance for ongoing requirements. The cost of these devolutions to local government is also difficult to quantify, because the EPA is unable to provide accurate data on the number of commercial nuisance complaints that it currently handles.

There is also concern that this legislative remake has been rushed and that the suite of enforcement tools needed to carry out the newly devolved activities will not be sufficient. Local government officers involved in various working groups with the EPA for the remake of the legislation have expressed concern that this process will not provide the appropriate legislation.

UNWANTED CATS AND DOGS

The issue of unwanted cats and dogs is being driven at a very emotional level by the RPSCA and the Animal Welfare League. These groups are campaigning heavily at Ministerial level to bring about changes to the way companion animals are managed in Queensland. The impact of this on local government resources is potentially significant.

Late in 2007, the Department of Primary Industries (DPI) (in conjunction with the Department of Local Government, Sport and Recreation) issued a discussion paper on companion animal management. The paper put forward a number of proposals, including mandatory registration, identification (micro-chipping) and de-sexing of cats and dogs. The Association provided an appropriate submission on this discussion paper and called for a project where data and information could be collected in order to determine the best course of action for management of unwanted cats and dogs.

In addition the Association actively represented councils’ interests on the stakeholder reference group.

The DPI responded by announcing a pilot project across four councils that would be funded by the State. Councils were to be asked to put forward innovative programs that would allow the collection of valuable information on how this problem can be managed into the future. The State Government has announced the four councils will
be - Gold Coast, Logan, Moreton Bay and Townsville. This decision has angered some councils who were awaiting a formal call for proposals as previously advised by the Government. However, the Government announced the four pilot councils based on proposals received and prior to any letter of invitation being sent to councils.

Whatever is decided, it will be certain that the impact on local government will be significant. While many councils carry out a dog registration program, very few register cats. Few, if any councils administer a mandatory identification program, and no council requires mandatory de-sexing at point of sale or change of ownership of a companion animal. Any state-wide legislation that is developed and requires local government to administer will certainly place a burden on already-stretched council resources.

NATURAL RESOURCE MANAGEMENT

In response to the Australian Government’s decision to cease funding the local government facilitator network, the Association created a permanent Natural Resource Management and Climate Change position to continue the outstanding support to local government in these critical areas. The following key achievements and actions are notable:

- An extension of the local government capacity building project was achieved to allow this important project, funded by the Queensland Government and Australian Government, to continue until December 2008.
- Held the Indigenous Land & Sea Forum in Cairns from 21-23 May, 2008 with over 50 delegates attending.
- Continued publication of NRM newsletters;
- Continued support for development of the Coastal Information Portal.

STOCK ROUTE MANAGEMENT

Following the review of Queensland’s stock routes by the review panel, the Minister for Natural Resources and Water has released a review paper outlining the findings of the review and recommendations.

The Association has been involved with the review and, at the time of writing, was coordinating a state-wide submission given the significant implications for local government.

WEEDS, PESTS & BIOSECURITY

Continued engagement with Biosecurity Queensland remained a priority with representation on the state Biosecurity Strategy Reference Group and direct engagement on key issues relating to pest management such as precept payment transparency and accountability and strengthening support to local government through regional land protection officers.

The Association has successfully negotiated a number of consultation workshops for local government to ensure effective input into the development of the State Biosecurity Strategy.

WASTE MANAGEMENT - National Packaging Covenant

Local government continues to be a signatory to the National Packaging Covenant. The aim of the Covenant is to recycle a minimum 65 percent of packaging waste in Australia. Data provided to date indicates that this target is achievable.

The Covenant is about to undergo its mid-term review for this current Covenant (Mark II). Further information on whether a Mark III Covenant proceeds will be available at the completion of this review.

STATE WASTE MANAGEMENT STRATEGY

The Association has been active in ensuring that its opposition to any proposed waste levy was clearly articulated to government. The Association convened a workshop in Brisbane to discuss issues relating to the waste levy and commissioned a report into waste management economic instruments which supported the view that a waste levy is not the preferred mechanism to improve waste management practice in Queensland.

In addition, the Association appeared before the Senate Inquiry into the Management of Australia’s Waste Streams. Further representation to the Minister has been undertaken on this important issue and will continue during the balance of 2008 with the release of the State’s draft waste management strategy expected later this year.

SUSTAINABLE PROCUREMENT

The draft sustainable procurement project has been refined and is expected to be presented to senior State Government executives for approval later this year. In addition the Association jointly sponsored the sustainable procurement conference in collaboration with Local Buy to further strengthen the Association’s recognition in this emerging space.

LITTER

The Association was successful in a number of key reforms to litter laws in Queensland and, in early 2008, saw these new provisions commence under the Environmental Protection Act 1994.

ASBESTOS

Recent representation by the Association forced the government to reveal its hand in relation to proposed insurance indemnity for the Asbestos provisions of the Public Health Act. Queensland Health advised that they had arranged appropriate indemnity and that local governments would have to pay the $500,000 per annum premium cost. The Association has vehemently opposed this suggestion and has sought legal advice on our position and is currently also reviewing the deed of indemnity before providing further advice to Councils. Upcoming discussions with the State Government hopefully will resolve the outstanding issues.

CLIMATE CHANGE

Along with the appointment of a permanent NRM & Climate Change policy advisor, LGAQ has actively sought discussions with key stakeholders to examine opportunities for local government in climate change adaptation and mitigation. The Association also released the report on “Climate Change and the Implications for Local Government” which outlines predictive modelling on climate change and reports on feedback from participating councils on perceived and prioritised risks.

Through Local Government Infrastructure Services (LGIS), local government is exploring collective carbon accounting and trading opportunities and has a number of potential project initiatives under discussion with the State Government and other potential partners.

The Association also sought legal advice to advise councils on their obligations under the current National Greenhouse and Energy Reporting Scheme (NGERS) and the proposed Carbon Pollution Reduction Scheme (CPRS). In addition, the Association has written to Senator Penny Wong, Federal Minister for Climate Change and the Mr Andrew McNamara, Queensland Minister for Sustainability and Innovation, seeking a government response to the exclusion of Queensland local government from these critical climate change initiatives due to de-corporatisation. LGAQ is seeking to ensure that councils are not disadvantaged through this unintended consequence of State Government action.

DIPLOMA IN ENVIRONMENT AND HEALTH

The Association has produced and delivered three Diploma courses in 2008 with 37 candidates undertaking the course. Feedback has been excellent. However numbers are fewer than expected, which might be a consequence of amalgamation and other factors.

Graduates of the course are also eligible for membership of Environmental Health Australia (EHA) and can receive credit of up to six months off the relevant degree with Central Queensland University.

As part of the Local Government Career Taskforce, the Association initiated a survey of Environmental Health Practitioners. At the time of writing, the results of this survey were being analysed.
Roads, Transport and Infrastructure

NATIONAL ROAD AND TRANSPORT

With the new Federal Government in place local governments nationally welcomed the news that the Federal Government was keeping its pre-election commitments on local road funding for 2008-09 and maintaining its commitment to funding local roads to 2014.

Also welcomed was the $75 million for a series of studies into urban congestion which is to be supplemented by $57.5 million from the states. The need for greater Commonwealth involvement in urban centres has been something missing from that sphere of government since the demise of the Better Cities program over a decade ago.

The Building Australia Fund (BAF), to be overseen by Infrastructure Australia, also promises new opportunities in infrastructure investment for local government. That fund represents $20 billion for investment in roads, rail, ports and telecommunication infrastructure for local communities. The focus is on helping manufacturers, farmers and mining interests get goods to market.

The BAF funds will be sourced from the budget surpluses expected in 2007-08 and 2008-09, with the possibility of further deposits being made from future surpluses. The Fund is expected to be up and running by 1 January 2009, with the first allocations to be made in 2009-10. Allocations from the Fund will be guided by Infrastructure Australia’s national audit and infrastructure priority list, the first of which will be presented to the March 2009 meeting of the Council of Local Australian Governments (COAG).

The Government also confirmed its commitment to AusLink 2 and will provide $22.3 billion over the period 2009-10 to 2013-2014 including funding for Roads to Recovery. Queensland can expect to receive approximately $714 million for Auslink 2, consisting of $603.9 million under the Auslink Investment Program, $11.9 million under the Auslink Black Spot Program, $24.5 million under the Auslink Strategic Regional Roads Program and $73.8 million under the Auslink Roads to Recovery Program. This funding will continue to assist councils address their roads backlogs, collaborate on regional priorities and target safety concerns on local road networks.

Financial Assistance Grants (FAGs) to local government will increase in 2008-09 to $1860m (consisting of $1288 million in General Purpose Grants and $571.5 million in untied local roads grants). This is estimated to be about $81.7 million above the current financial year, and a nominal increase of 4.59 per cent. Total direct funding for local government in 2008-09 will be $2547.8 million, including Financial Assistance Grants (FAGs), Roads to Recovery and other Specific Purpose Payments (SPPs).

On another positive note, from 2009-10, councils will have access to funding under the newly-created “Regional and Local Community Infrastructure Program”. This will be in addition to $176 million over four years for Better Regions. There is also commitment to Nation-Building Infrastructure of $3.2 billion in 2008-09 for a range of nation-building road and rail initiatives, which will include connecting freight corridors in regional areas to local roads. The creation of this type of program was one of the key recommendations contained in the Australian Local Government Association’s National Financial Sustainability Study of Local Government, commissioned by Pricewaterhouse Coopers in December 2006.

From a planning perspective, the Australian Transport Council (in May 2008) called for the development of a National Transport Policy which will aim to provide better signals to guide the supply of and demand for transport infrastructure and services, involving whole-of-transport solutions for corridors and networks rather than simply being mode-specific. Known as “A New Beginning for Transport”, this national approach could potentially see the establishment of a National Road Safety Council and single national system of heavy vehicle regulation, registration and driver licensing as well as a single, national rail safety regulatory and investigation framework.

With so much happening at the national level, it is important that local government does not get overlooked in the development, funding and implementation of the Australian Government’s national transport policy / vision. This message was reinforced in the June Communiqué from the ALGA’s 2008 National Local Roads and Transport Congress in Shepparton, Victoria which states that “as owner and manager of more than 80 per cent of the nation’s road network on which more than 25 per cent of vehicle kilometres are travelled, local government acknowledges it has an important part to play in the delivery of the ‘first and last mile’ of this vision, in its own right and in partnership with other spheres of government through land use planning, community engagement and in the provision of transport infrastructure”.

QUEENSLAND ROAD FUNDING

The 2008-2009 budgets for Main Roads and Queensland Transport had few surprises for Local Government with most funding programs continuing for the coming year and few new programs. Overall, the Association welcomed the State’s ongoing funding commitments for major state and local government infrastructure and provided a significant response to key issues raised with the government by the LGAQ.

Main Roads’ budget increased six percent this year with a total of $3.235 billion to be spent on roads infrastructure. The capital roads program has increased from $2.242 billion in 07/08 to $2.462 billion in 08/09 with $1.333 billion in 08/09 targeted for roads in regional Queensland. Maintenance and preservation attracted $461 million in funding. A further $47 million for Safer Roads Sooner continued under the existing five year $235 million program and $51 million in grants to local government continued under the Transport Infrastructure Development Scheme (TIDS).

The TIDS funding includes the ongoing Departmental commitment of $24 million for priority works on Local Roads of Regional Significance (LRRS) and $1 million towards improved technical capability in Local Government. From 2007-08, the Roads Alliance has been delivering an extra $25 million per annum (ongoing) to Regional Road Groups (RRGs) throughout Queensland.

ROAD MANAGEMENT AND INVESTMENT ALLIANCE

Despite the amalgamation processes, Local Government and Main Roads have remained committed to the Roads Alliance over the last 12 months. Although the operations of many groups were temporarily slowed during this period, RRGs continued to meet, engage in joint decision making and ultimately produce their five-year regional works program for the Local Roads of Regional Significance (LRRS) network, which was released in June as part of the Main Roads’ Roads Implementation Program (RIP). In summary, state and local government will continue to invest in excess of $3 billion across the next five years on the LRRS network in Queensland. This includes a total of $24 million per annum in additional specific Roads Alliance Transport Infrastructure Development Scheme funding (TIDS).

In addition to program development, Regional Road Groups (RRGs) progressed activities in the areas of road safety, joint purchasing and resource sharing, asset management and capability development. Due to boundary changes, all RRGs were also required to review their external structures and membership arrangements.

The continued commitment to the Roads Alliance during this difficult time demonstrates the strength of the relationship between Main Roads and Queensland local government, and the role the Roads Alliance has played in firmly cementing this partnership.

Looking ahead, the Roads Alliance Board is committed to ensuring the Alliance partnership continues to mature and promote best practice in road management. This commitment will be ratified by the signing of a new Roads Alliance Memorandum of Agreement between Main Roads and LGAQ and is underpinned by a forward
strategy based on consolidating, improving and expanding the Roads Alliance framework. This is a challenging period with many councils still bedding in changes following local government reform, Main Roads districts and regions adjusting to new boundaries and responsibilities and RRGs themselves reforming with many taking on new forms.

Already a number of councils have participated in regional workshops conducted by Roads Alliance Board Members Neil Doyle (Main Roads) and Greg Hallam (LGAQ). These workshops enabled participants to discuss a range of issues associated with the operations of the Roads Alliance and to discuss the advantages and disadvantages of possible new road stewardship and delivery models contained in the consultation paper “Managing Queensland's Roads”, released in June. This will continue to be discussed with RRGs and councils throughout the remainder of 2008 and into 2009 as part of the Roads Alliance framework. It represents a new way forward for councils and Main Roads to do business together. Councils have been strongly encouraged to participate and contribute.

One of the positive outcomes already emerging from the regional workshops is a commitment from the Roads Alliance this year to focus on increased training opportunities at a technical, specialist and supervisory level. This is to assist with the overwhelming need to ramp up capability assistance for Roads Alliance members suffering change fatigue, resource shortages and competition for people with other industries. Another focus this year is the roll-out of bureau services that will place resources within pilot RRGs to assist in getting greater traction with initiatives such as increased Joint Purchasing and Resource Sharing.

QUEENSLAND ROAD SAFETY STRATEGY

In response to local government concern over the rising road toll on local roads, the Association has commenced work on a State-wide Road Safety Strategy for Local Roads, which aims to develop a co-ordinated strategic approach to reducing the road toll on local government roads. Stakeholders already involved in the development of the strategy include the Department of Main Roads, Queensland Transport, the Queensland Police Service and the Institute of Public Works Engineers Australia - Queensland (IPWEAQ). Other key stakeholders, such as the RACQ, will be invited to contribute to the strategy at a later date.

The initial focus of the strategy has been on the establishment of the Road Safety Partnership between Moreton Bay Regional Council, Moreton Bay Regional Road Group (MBRRG), Main Roads, Queensland Transport, the LGAQ and the IPWEAQ as well as awareness-raising and community engagement activities. With funding support from the Roads Alliance, the Partnership Project has enabled the employment of a Road Safety Officer to undertake extensive consultations with all stakeholders at both the regional and state level to gain support for the project and establish state and regional linkages across agencies.

In February, the Partnership Project participated in a road safety related data and modelling systems workshop which was followed by a NetRISK assessment of the LRRS network in the Moreton Bay Regional Council area. The data collected was then overlaid with road crash data to enable a proactive and reactive road safety assessment of the whole region. Being able to access this level of data analysis was a major step forward for the MBRRG as well as other key stakeholders and will assist in developing evidence-based strategic interventions. This component of the project has involved collaboration between Main Roads, ARRB, Queensland Transport and Moreton Bay Regional Council and is a good example of what can be achieved when agencies work together.

The strategy’s community engagement phase commenced in June, when local residents were invited to voice their road safety concerns at shopping centre feedback booths during Road Safety Week. The information booths were highly successful and provided valuable insights into community concerns with road safety.

Most recently the LGAQ has undertaken a state-wide survey of all councils to better understand council road safety perspectives, priorities and activities. The results of this survey will then be used to inform the future focus of LGAQ’s Road Safety Strategy throughout 2009.

COST SHARING AGREEMENT

The Association has continued to work on reviewing the 2002 Cost Sharing Agreement between Main Roads and LGAQ which seeks to provide guidance on the allocation of costs where local roads and local government responsibilities interact with the state controlled road network. After extensive engagement with councils and Main Roads on the policy context and technical aspects, the Agreement is near finalisation. It is planned for the Agreement to be signed in late 2008, after which copies will be made available to all councils and Main Roads Districts.

ROAD MAINTENANCE PERFORMANCE CONTRACT (RMPC)

Given the complexities associated with administering RMPCs, the LGAQ and Department of Main Roads have been involved in a wide ranging review of the RMPC framework, with the aim of streamlining and standardising processes across Queensland. This review has continued throughout 2008 with considerable time spent negotiating an acceptable position for councils and Main Roads on the issues of legal indemnity and intervention levels. Despite these difficulties, progress has been made and it is expected that a new RMPC framework will be released in early 2009.

REGIONAL AVIATION

The Association was pleased with the recognition and commitment by both the State and Commonwealth Governments to ongoing programs and initiatives to support regional aviation. Support for regional aviation is particularly critical for Queenslanders providing links to major urban hubs and transport for goods, workers, residents and medical services.

The Commonwealth recognised the impost on regional airports of security requirements by providing funding for security upgrades. Remote communities were not forgotten and the funding of subsidies for flights to remote airports was welcomed. In total, regional airports security funding was earmarked for $42.9 million over four years and subsidies for weekly flights to remote regions an estimated $44.7 million over four years.

In Queensland, the State Government again this year continued its subsidy for rural and remote air and bus services. The Association had been engaging the department on this issue for some time and welcomed the response as being good for regional communities. The LGAQ continued to liaise with Queensland Transport (QT) as the department called for tenders for the continuation of long distance bus and air services. Importantly for regional Queensland, not only has number of communities directly supported by air and long distance services been maintained but some have experienced an increase in air services.

The Association will continue to pursue, in collaboration with QT, an investigation into the state of infrastructure at council-run airport facilities. It has been some time since airport ownership was transferred to local government and many councils have been unable to maintain their facilities beyond minimum safety requirements. Efforts will continue to assess the viability of local government airports, the state of their assets and in the development of strategies addressing funding gaps and issues of sustainability. The Association will also continue to pursue further Commonwealth funding where possible for local government airports through the new Building Australia Fund (BAF) to be overseen by Infrastructure Australia.
The 2008 Symposium was billed as the first major opportunity for local government leaders and senior staff to set the agenda ahead for council in the next term of government. The conference theme of ‘Forging Ahead’ represented the positive focus councils will be adopting in delivering for their communities.

The 2008 Local Government Symposium was held at the Brisbane Convention Centre from 16-18 April 2008 with over 600 attendees present over the three days. The event was well attended by senior State Government officers who were keen to re-connect with local governments. The focus of the conference blended plenary sessions and workshops targeted at a broad range of local government issues and management challenges, along with the traditional technical infrastructure sessions.

The Symposium also provided an opportunity to sign a new protocol agreement between LGAQ, QT and Main Roads. The new protocol agreement is focused on establishing a commitment to work together and enhance the relationship between the signatories’ and their commitment to working collaboratively on shared transport and road related challenges.

**Disaster Management and Planning**

**THE DISASTER MANAGEMENT ALLIANCE**

The Disaster Management Alliance between the State of Queensland through the Department of Emergency Services (DES) and the LGAQ on behalf of Local Government was formally established with the signing of a Memorandum of Agreement in July, 2005. This partnership has been established to build upon existing collaborative arrangements to support implementation of disaster management reforms, such as those arising from the Council of Australian Governments’ review into natural disasters in Australia. The Disaster Management Alliance work continues to focus on increasing the disaster management capacity and capability of Queensland councils.

The DM Alliance has led the development of resources under the Children’s and Young People’s Resources Project which was funded through a grant from the Australian Government. The Children’s Project (Get Ready Kidna’s) is a web-based game that encourages children to help make household disaster plans. The Young People’s Project (Red Alert!) is a collection of digital stories made by young people (12-18 years) from across Queensland. The digital stories are a collection of young people’s voices, art and story-telling about their experiences. Both resources have been distributed to councils and also to council libraries.

In Queensland, the LGAQ has maintained close cooperation with the Council of Mayors (SEQ) in ongoing representations to the state during the development of responses to and engagement with the Queensland Water Commission. The Association has also continued to support the SEQ Councils position that retail and distribution remain with local government.

While the State’s attention has been focused on SEQ, there has been increased water policy and legislative activity affecting the whole state. In 2007/08, the Department of Natural Resources and Water (NRW) created an “Office of the Water Supply Regulator” and created new recycling and water quality requirements which local government water providers will need to be prepared to meet.

This office (which incorporates the Water Industry Regulation staff of NRW) is part of NRW and continues to undertake the water industry asset management functions, regulation of service providers and referable dam safety. Its new work will initially focus on the roll-out and implementation of the regulatory approach for mandatory drinking water quality standards and the recycled water legislative framework underpinned by the new Water Supply (Safety and Reliability) Act 2008.

This new Act creates new provisions for drinking water quality and recycled water. Among other things, the new provisions will require mandatory monitoring of specified drinking water quality parameters, and the creation of Drinking Water Quality Management Plans (DWQMP) and Recycled Water Management Plans (RWMP).

While the intent of the new Act is well intentioned and arguably needed, the introduction of the legislation is a sign of the State’s interest in managing water quality and quantity state-wide. Recent statements by the State have highlighted intervention by the Premier to ensure Cloncurry has water supplies “now and into the future” may be a harbinger for further actions targeted at enforcing water restrictions - particularly where communities may be using between 300-500 litres per person per day.

To assist councils in regional areas, the Association has initiated the development of a policy framework to assist in understanding and assessing the potential implications of institutional water reform for non-SEQ local government water providers. As a consequence, the development of an options paper has been initiated for engagement with local government water service providers as part of the development of an overall water reform strategy. The paper is being jointly developed by the LGAQ and qldwater.

Institutional arrangements will be presented in the form of potential models which should initiate dialogue within councils as to how they may operate as water providers. Councils will be challenged to explore options acceptable to them such as joint local government entities, internal commercial units, private sector providers or as shareholders. This is intended to identify options in addition to those...
applying in SEQ, which involved asset striping, loss of revenue and forced institutional change.

On balance, further institutional reform in the water sector (excluding local government reform) is most likely to occur within the next two to six years. Adding to the urgency of this exercise is the recent interest shown by the Commonwealth in expediting reform to be driven at the federal level, which could also impact on local government water providers.

In the meantime, the LGAQ will be seeking to assist councils consider what the most appropriate institutional arrangements are for water services provision in central, western and northern Queensland. The intended outcome is to prepare local governments to set their own agenda and be in a position to respond to or influence any future review regardless of when it occurs. The policy outcomes are also intended to be built into the development of the election policy plan for the next state election and will also be included in the review of the current policy framework and actions detailed in the “Sustaining Our Urban Water Supplies” paper.

WATER MANAGEMENT

Outside the southeast corner, the Association has worked closely with qldwater to deliver services and training to regional communities. For the past three years, qldwater has funded a week-long tour of Sewage Treatment Plants in small western councils. As in the past, the tour included water supply experts and representatives from relevant areas of Department of Natural Resources and Water (NRW) and Department of Local Government, Sport and Recreation (LGOSR).

The Association has been keen, where possible, to support qldwater directly in the development of technical advice and tools for local government water providers. This year, qldwater initiated a project to assist councils with the transition to fluoridation and to ensure effective ongoing operations and maintenance of the systems following the Premier’s decision in December 2007 that fluoridation of public water supplies was to become mandatory across Queensland. Up to $35 million has been provided to support capital costs across the state and the cost of ongoing operations will be subsidised for some small councils.

Key areas of assistance to councils include increasing the scope of an existing manual that covers fluoridation, developing templates for management and safety procedures, form letters for specific community target groups and disseminating appropriate information. This work has been funded internally by qldwater as has an industry expert group which has provided significant technical review of the new Fluoridation Code of Practice being developed by the state and a factsheet on selection of appropriate fluoridation chemicals that was created and distributed in April 2008.

The state program is progressing quickly and is overseen by the State Fluoridation Technical Committee which is currently chaired by Queensland Health (QHealth) and on which LGHQ and qldwater have a seat. The initial audit of all water infrastructure that supply 1000 or more people was undertaken by a team made up from SunWater and LGIS and is now complete. This audit will provide information that will allow the State to determine its recommendations for fluoridation equipment for each water supply in Queensland. This recommendation will not be binding on councils, but will determine the quantum of state funding to be made available.

The next stage is to advertise for and appoint the Infrastructure Management Group that will coordinate the procurement and coordination of infrastructure delivery. The Department of Infrastructure and Planning (DIP) has recently replaced QHealth as the lead agency for the roll-out. There has been no additional funding provided to agencies for the roll-out processes other than a budget for the outsourcing of the Infrastructure Management Group and for training of water treatment operators.

The need for a training framework for water industry workers has been raised by councils and is being delivered by qldwater. Building on successful frameworks developed by Brisbane Water and Ipswich Water, TAFE Queensland and other training providers are collaborating to negotiate a standard training model using the SEQ framework and negotiate training services for the entire state.

The LGAQ has also continued to actively support LG Infrastructure Services in its completion of a state-wide study into the $1.2 billion state-wide Sewerage Treatment Plan Upgrade Program. Key decisions on implementation are awaited by the State Government before this program can be rolled out to assist councils.

Business Enterprises Branch

The Business Enterprises Branch of the LGAQ is responsible for the commercial and business activities of the organisation. The Branch provides strategic direction and corporate governance to the following entities and activities:

- LG Infrastructure Services
- Local Buy
- Resolute
- QPG (LG Shared Services)
- LGM Queensland
- LGW
- Conferences
- Training

LOCAL GOVERNMENT INFRASTRUCTURE SERVICES CORPORATION (LGISC)

Launched on 31 August 2005, LG Infrastructure Services—a joint initiative of Queensland Treasury Corporation and the Local Government Association of Queensland—provides Queensland’s local governments with a range of services for their infrastructure projects.

In 2007-08, LG Infrastructure Services continued to exceed expectations and has now provided advice and services to more than 60 Queensland local governments, which represents more than 80 percent of local governments throughout the State. In doing so, LG Infrastructure Services has advised on more than $3 billion worth of assets, and developed strategies for local governments and the State to realise savings of approximately $500 million on assets and services.

Throughout the year, LG Infrastructure Services has worked with local governments across the state to develop a range of solutions for the delivery of their infrastructure requirements. The success of this work has been derived through the value added to the state, by generating savings and efficiencies through these projects. This year, for the first time since its establishment, LG Infrastructure Services will return a dividend to its shareholders and begin to repay the Treasury grant provided for its establishment.

The business has focused on implementing its new operating model, with core business streams in the areas of water, waste, roads, commercial advisory and remote community support. An additional business stream was also added to offer environment and planning services to local governments, including carbon accounting and emissions trading advice. The implementation and expansion of these business streams occurred seamlessly and has set-up the business to efficiently and effectively service its local government customers.

Board Members:

Mr David Jay, OAM Chairperson
Mr Roger Short
Mr Brian Guthrie
Mr Greg Hallam, LGAQ
Mr Stephen Rochester, QTC
LG Infrastructure Services has been assisting four local governments in Central Queensland to create the largest geographical waste collection and recycling contract in the state. The scale of the contract prompted the involvement of the ACCC and, after demonstrating the value proposition of the project, LG Infrastructure Services assisted the Central Queensland councils to successfully obtain the interim authorisation to proceed to tender.

LG Infrastructure Services completed a water study to identify current and future water demands for one of Queensland’s fastest developing areas. Involving more than 40 small communities across seven regional councils, the study identified the optimal solutions to secure the region’s future water needs, including a $50 million infrastructure program and a regional project office delivery model.

In partnership with SunWater, LG Infrastructure Services audited more than 100 water treatment plants in Queensland, as part of the Government’s preparation for the state-wide fluoridation program. This program aims to add fluoride to the water for 95 percent of the state’s population by 2012. In preparation for the implementation phase, LG Infrastructure Services has entered into an alliance agreement with SunWater for the delivery of the fluoridation program for local governments and communities outside of south-east Queensland.

State Government projects:

LG Infrastructure Services has continued to provide project delivery solutions for the State Government and has been recognised for its proven track record in achieving targets.

In 2007-08, the Home WaterWise project successfully outperformed its targets, retrofitting and installing water efficiency devices in more than 200,000 homes—the largest program of its type ever undertaken in Australia.

On 16 June 2008, and following success of the Home WaterWise success, LG Infrastructure Services was appointed by the State Government to manage the delivery of the $60 million ClimateSmart Home Service, an energy efficiency retrofitting service for 260,000 Queensland homes. This project aims to reduce annual carbon emissions by over six million tonnes by assisting Queensland households to achieve positive long-term behavioural changes in their use of energy.

Future goals:

LG Infrastructure Services will continue to provide Queensland local governments with a range of innovative services that add value to their businesses and communities.

With the implementation of emissions reporting and trading over the next two years, LG Infrastructure Services is preparing to assist local governments with approaching the regulatory and financial implications of climate change.

Of priority, local governments will need to:
- account for and understand the carbon dependency of their business
- effectively and efficiently mitigate carbon exposures, and
- translate abatement opportunities into tangible business assets.

LG Infrastructure Services has been developing a range of services for local governments in the areas of carbon accounting and trading, under its expanding environment and planning business stream. Our strategy is to continue to grow our internal skills and capabilities— including partnering with the private sector—to provide services and solutions for local governments.

As local governments look for opportunities for regional collaboration in the delivery of core local government services, LG Infrastructure Services will continue to set the benchmark for innovative regional collaboration projects, and leverage its knowledge and experience to provide more efficient infrastructure solutions for local governments.

Over the next two years, LG Infrastructure Services is preparing to assist local governments with a range of innovative services that add value to their businesses and communities.

Significant new contracts undertaken this year included:
• A collaborative arrangement with the Department of Main Roads for Asset Management Systems and Consultancy Services. These new contracts not only provide for discounted pricing on asset management systems, but have approved suppliers against a wide range of technical criteria.
• A new arrangement for business consultants, financial and accounting services, corporate governance review and economic analysis. All consultants have a proven track record and offer local government preferential rates through Local Buy.
• Road Infrastructure products and services covering a wide range of goods including line marking, fencing, guideposts, rails, protective kerbing, etc.
• A pre-qualified list of consultants in the Planning and Design area including town and regional planning services, urban design, architectural services, landscape design and surveying. Councils now have a more effective means of engaging consultants, saving substantial time and money in the costs of procuring these services.

Over the next 12 months, Local Buy will establish new arrangements for:
• Advertising and Media Services
• Light Commercial Vehicles
• Street and Traffic Signs
• Virtualisation software and Hardware
• Telecommunication Carrier and Infrastructure Services

LG tender box, Local Buy’s electronic tendering system has been implemented in eight councils with close to 300 tenders released through the system to-date. In the coming year, Local Buy is aiming to provide this system to a further 20 councils, delivering a 60 percent saving in the costs of tendering to these councils.

Additionally in the coming year, Local Buy will launch its Tender Bureau Service, which will undertake any tendering process on behalf of a council. Councils with limited procurement capability or simply an urgent requirement can outsource their tendering work to Local Buy. Early this year, Bulloo Shire Council resolved to outsource its entire tendering requirements for the following financial year to Local Buy.

The Local Buy board met 7 times throughout the year. The board is comprised of:
• Mr. Ian Leckenby (Chair)
• Mr. Greg Hallam PSM
• Mr. Brent Reeman
• Mr. Phil Spencer
• Mr. Bill Simpson
• Mr. Michael Fullelove
RESOLUTE INFORMATION TECHNOLOGY PTY LTD

Year Highlights:
Resolute Information Technology is a provider of IT Services and Solutions, primarily focussed on the local government market. Revenues grew by 15 percent in FY09 from $2.8 million to $3.2 million. Total Revenues (including hardware and software sales) increased from $3.3 million to $3.6 million and profit rose from $121,000 to $224,000.

Highlights for the year include:
- the continued growth of the company;
- the delivery of a software solution for an international commercial company which has subsequently won innovation awards in the agriculture and wireless industries in the USA; and
- winning the project to implement LG ONE in eight councils in the Northern Territory.

In late 2007, the Board of Resolute was reduced to four with a change in Chairman and inclusion of two new Directors with commercial IT experience.

Resolute opened an office in Longreach during 2007, and now has staff working from Brisbane, Longreach, Mackay, Ayr and soon in Darwin.

Future Goals:
Resolute’s major focus is to further strengthen and grow its services and solutions for local government, to improve customer service and become an employer of choice to attract and retain high quality staff.

Board Members:
- Robert Holloway (Chairman)
- Kathryn McDonald
- Jock O’Keeffe
- Brent Reeman

Staff: 20 permanent and 7 contract staff

QPG (LG Shared Services)

QPG (LG Shared Services) is a joint venture between the LGAQ and the UCMS Group. The business has a dedicated focus on providing a range of operationally-focused business services to the local government sector, including the creation and delivery of shared service models. QPG has particular strengths in the areas of customer services, rates, payroll and AP/AR and is an established Local Buy panellist for these services.

The business enjoyed a period of high growth during the year and is now well placed to play a central role in reshaping the delivery of local government services in Queensland. During the year, QPG and Ipswich City Council signed a groundbreaking 10-year agreement which saw the two organisations creating a strategically focused partnership - Services Queensland. This is the first arrangement of its type in Australia and brings together the operational strengths of QPG with the vision and willingness to innovate which typifies Ipswich.

Following the conclusion of negotiations with Ipswich in 2007, QPG successfully relocated a number of staff to Ipswich to ensure that there was a dedicated focus on the delivery of early results. Initially focused on the transformation and delivery of the council’s entire customer service and property rates functions, the partnership with Ipswich has the capacity to evolve into a hub for the delivery of shared services with other councils in Queensland. The first six months of operations has been targeted at establishing an agreed Delivery Baseline against which both the council and QPG can measure all service delivery enhancements in future years. This has been a remarkably successful activity which has demonstrated QPG’s capacity to work across multiple council functions in relatively short periods of time. QPG has also been responsible for constructing a full business case for the council which establishes the investment requirements for the design and build of a fully integrated customer service centre.

QPG is currently pursuing other opportunities in both Queensland and New South Wales and there remains a strong expectation that the business will continue to enjoy sustained growth in the coming years.

QPG is governed by a committee of directors which met monthly throughout the year. Representation is split equally between LGAQ and UCMS with Mr. Jim Soorley providing significant local experience as Chair.

TRAINING SERVICES

Learning and Development

With the ongoing amalgamation process, LGAQ has experienced an increase in requests for consultancy and training services to councils covering areas such as Corporate and Operational Planning, Strategic Management, Change Management, Governance, Media Training, Town Planning and Statutory Compliance.
Queensland over the next 12 months.

... and always welcome comments or requests from council members to ensure the highest of standards and quality are available to our members.

LGM QUEENSLAND

LGM Queensland is a legal liability self-insurance scheme owned and operated for the sole benefit of Queensland councils. It provides a range of covers including public liability, professional indemnity, councillors’ and officers’ liability, employment practices liability and cover provided to casual hirers of council facilities.

... maintaining cost stability for member councils. The increase in overall member contributions made to the scheme was limited to 2.5 percent. While premiums in the private liability insurance market exhibit their typical volatility, LGM member councils have access to extensive levels of local government specific cover within a stable and predictable cost environment.

A major project undertaken by the Board during the second half of the year was a complete review of LGM’s reinsurance arrangements. Since 1998, all of the scheme’s claim liability had been fully reinsured in conjunction with other state local government liability schemes. Following an actuarial review and consideration of a range of market advice, it was determined that LGM would return to a self-insured position in 2008/9. This will involve the scheme accepting responsibility for the first $2 million cost of any claim with reinsurance (still arranged in conjunction with other state schemes) covering any cost above the $2 million self-insured retention. The move underlines LGM’s capacity as a local government self-insurer to adapt its structure in different market environments so as to maximise member benefits.

LGM was also able to provide a seamless transition of cover for amalgamating councils. Well before establishment of the new councils, all details of their liability cover were in place and confirmed to transition committees by LGM.

Member service enhancements continued through joint initiatives with Local Government Workcare to appoint regionally-based risk management co-ordinators and roll out the web-based RiskeMap risk management software. With most councils now members of both LGM and LGW, there will be a continuing focus on combining resources and delivering services that could never be provided from traditional insurance arrangements. This is key expression of how LGM is very much more than just insurance.

LOCAL GOVERNMENT WORKCARE

LGW is a joint undertaking by Queensland councils and council-controlled entities to hold a workers compensation self insurance licence. Scheme members are provided with full workers compensation cover but also, pro active claims management, injury management and injury prevention services. The scheme is overseen by a Management Committee chaired by former LGAQ president, Noel Playford and managed under the supervision of the Management Committee and the LGAQ by Jardine Lloyd Thompson.

Key achievements of LGW since its inception in 1998 have been a 55 percent reduction in the average workers compensation rate paid by member councils and the distribution of $12.4 million in surplus funds - either directly to members as member dividends or more broadly to local government through the LGAQ. During 2007/8, there was no increase in LGW’s average member contribution rate.

As was the case with LGM, all necessary steps were undertaken prior to council amalgamations to ensure transition committees knew, well in advance, full details of cover and workers compensation operational arrangements for the new councils. LGW was pleased to welcome Toowoomba Regional Council and Torres Strait Island Regional Council as new scheme members.
One of the most significant distinguishing features of the scheme continued to be the SAFE PLAN workplace health and safety improvement program. The upgraded SAFE PLAN 2 provides councils with a full suite of tools and resources for planning, implementing and monitoring their workplace health and safety management system. SAFE PLAN 2 implementation and accredited auditing courses continued to be provided to many council officers. This package is the most comprehensive and relevant injury prevention program ever available to Queensland councils, is provided as part of LGW membership and is a direct outcome of councils jointly undertaking self-insurance. The use of a common workplace health and safety system has enabled many amalgamated councils to avoid a prolonged and potentially dangerous period of uncertainty.

Moving forward, LGW will be focusing on undertaking additional joint initiatives with LGM such as regional risk coordinators and the RiskMap risk management software. The continuing support of member councils for both schemes provides the platform for these important member service outcomes.

Workforce and Organisational Services

The Workforce and Organisational Services branch is structured around four strategic operations:

- Corporate Services
- Workforce Relations
- Business Information
- Employment Services

LOCAL GOVERNMENT REFORMS

The State Government reform of local government in Queensland posed significant challenges for Workforce and Organisational Services.

The changed profile of local government mitigated changes in the funding and resourcing structures for the organisation and required significant additional services to councils in the area of business information tools and advice.

Officers from Workforce Relations were heavily involved in discussions with State Government, unions and other affected bodies in the development of transitional processes for affected local governments. Significant assistance was provided daily before and after the elections to councils in advancing the amalgamations in accordance with sound management and human resource practices and compliance with the enabling legislation and standards. The LGAQ developed a number of templates, guidelines and advice to assist councils manage the lead-up to the election and to cope with the necessary human resource changes following the formation of the amalgamated councils.

The effect of reduction in the number of external recruitment activities as a result of the reforms was offset by the increase in the requests for assistance by councils to establish and populate their interim organisational structures.

CORPORATE SERVICES

2008 heralded the introduction of the new Executive meeting format where the former Finance and Audit and Policy and Representation Committees were integrated within the new schedule of six full Executive meetings per annum. Transition to the new format was smooth and all indications were that Executive members were satisfied with the outcome.

Outcome Manager, LGAQ’s corporate reporting software, provided quarterly updates for the Executive which served to considerably reduce the time spent upon routine matters and freed up additional time for the strategic issues affecting local government.

This system also demonstrated to the Executive that staff work plans and allocation of resources were consistent with the strategic direction and operational priorities established by the Executive.

Local Government House was revalued to approximately $10 million and necessary renovations progressively took place during the last 12 months, particularly in the car park area in the interests of improved safety and convenience. Rental income increased as a result of the establishment and application of a new and appropriate formula designed to recognize market fluctuations while still acknowledging and encouraging the retention of existing tenants who collectively contribute to the “local government precinct” environment in LG House.

The Association continued to apply a number of employment strategies to ensure the Association engaged staff with the commitment and capability to deliver its chartered services. These ranged from normal contracts of employment through to contractual partnerships with private companies.

The Association also undertook an extensive review of its HR practices and policies and facilitated amendments where necessary to ensure the policies were contemporary and aligned with the good management and the advancement of the Association’s interests.

Staff turnover was consistent with, if not slightly lower, than turnover expected of an Association and the nature of LGAQ’s business. The retirement of two of the Association’s longest serving employees did result in the exit of much experience and knowledge but also provided a catalyst and opportunity for the review of structures, processes and services provided in that specific work area.

An internal staff environmental impact committee was formed and an environmental footprint of the Association was conducted. As a result, while the committee generally praised and acknowledged the efforts of the Association to date to meet its environmental obligations, an increased emphasis was adopted by the Association on recycling and water management, including the installation of water-tanks for purposes other than drinking.

Finances

The Association’s consolidated and audited financial statements for the year ending May 31, 2008 were completed for presentation to members. As with previous years, the Associations’ statements were audited as satisfactory by the Auditor-General of Queensland.

The LGAQ Audit Committee, comprising Graham Grundy (Chair), Cr Paul Tully (LGAQ Executive member), Stephen Fynes-Clinton (barrister), Graham Carpenter (independent financial and audit expert) met on four occasions and examined a range of reports and organisational practices including:

- LGM and LGW financials
- Operational reports from the Association-owned and partnered entities
- 2007 QAO report.
- Review of LGAQ Financial operating year.

The audit committee endorsed the published accounts and received an interim report from the Queensland Audit Office on their 2007/2008 audit.

The committee has actively reviewed its operations to ensure its observance of the terms of its charter and paid due regard to Queensland Treasury’s Audit Committee Guidelines.

Business Information
The LGAQ, in the latter part of the financial year, launched a major new project: LGOnline Rejuvenation. This broad-based project will assess all areas of the LGOnline service with a view to delivering a significantly new and improved set of tools for Queensland councils.

As a precursor to the project, councils were invited to attend one of eight regional user groups which where held around the state between March and June. A number of major new LGOnline improvements are scheduled to be delivered before June 2009.

The LGAQ Marketing and Communications team continues to provide strategic communications direction to the Association proper as well as to specific areas within the Association.

Six Council Leader magazines and six Councils’ NewsBriefs were provided to all councillors.

The Association strategically identified member engagement as a key priority following the March elections. The LGAQ provided all returned and newly elected mayors and councillors with a comprehensive and authorised Elected Members’ Kit which contained the well-respected Elected Members’ Handbook and the Remuneration & Entitlements Guide. All Mayors were also provided with a copy of the first ever Mayor’s Handbook, the first publication of its kind anywhere in Australia. All councillors received a CD with digital copies of all of the Elected Member Kit manuals and brochures and information regarding the Association’s LGOnline service, including an online tutorial.

Supporting the distribution of these resources, the Associations’ President, Directors and staff undertook a significant number of council visits and regional tours. By the time of this year’s Annual Conference, it is expected that all member councils will have been visited, with many councils having been visited more than this. The Association clearly demonstrated its commitment to meeting with councils on their own turf.

IT & TELECOMMUNICATIONS

The Association continued to streamline its internal operations following the conclusion in 2007 of a two-year project that migrated all systems from Lotus Notes to a new Microsoft/Interwoven environment.

The installation of a SAN and significant upgrades of the networks within Local Government House have helped deliver a contemporary IT platform that continues to support the operations of staff.

Major upgrades of the Association’s finance and document management systems will be progressed in 08/09. Preparatory work has begun for the proposed replacement of the LGAQ phone system in 09/10.

COMMUNICATIONS & MARKETING

The heart of the LGAQ message was that the Association remains committed to its mission of strengthening the performance and ability of councils to better serve their communities and its extensive elected member resources, major events and preparedness to “go the extra mile” stand as testament to this commitment.

The campaign also was utilised to highlight the new brand/logo for the Association viz. Owned By, Governed By, And Work For: Councils.

LOCAL GOVERNMENT WEEK - 10 YEAR ANNIVERSARY

LGWeek over the years has topically focused on councils’ role in the community through themes such as the celebration of cultural diversity and road construction and maintenance. The theme for LGWeek in 2008 was Active Bodies, Healthy Communities. The purpose of the theme was to promote the use of council-maintained parks and facilities to encourage better fitness and increased recreational activity.

Held from the 4-11 June, the week was officially launched at the LGAQ’s Civic Leaders Summit.

In supporting this theme, the LGAQ took its commitment to improving the health and wellbeing of its staff, members and the community and made a concerted effort to lead by example in making LGWeek 2008 the most effective in the event’s 10-year history.

LGAQ’s own staff were encouraged to run, walk and cycle – the Association entered teams in the Global Corporate Challenge (10,000 steps program), the Brisbane to Gold Coast 100km Cycle Challenge and the tortuous 96km, 39-hour Kokoda Challenge. Not to be outdone, many Queensland councils and council staff also took up the challenge of ensuring the theme of Active Bodies, Healthy Communities was well demonstrated. Again, the 2008 primary school colouring competition was very well patronised.
The Principal Sponsor of the week was the Department of Local Government, Sport and Recreation. This year’s theme also tied in with the State Government’s $8.4 million Eat Well Be Active campaign.

The LGAQ and DLGSR partnered in producing a number of school resources and provided technical advice for Council based fitness programs.

Queensland Health was welcomed as the Gold sponsor for the event and Silver sponsorship was provided by the Australian Local Government Women's Association and Dial Before You Dig Queensland.

**Workplace Relations**

**GENERAL**

The Industrial Relations Advice manual and updates continued to be sought after by councils to complement the phone and email advice provided through the circulars and bulletins. Requests for assistance and advice on award interpretation and application remained significantly high despite the increasing reliance on local agreements to prescribe employment arrangements for staff.

The examination of the current employment arrangements, practices and procedures necessitated by the lead-up to the amalgamations resulted in an upward “spike” in the number of telephonic requests for assistance as long-term inconsistencies and deficiencies started to emerge. This spike was managed without additional resources.

The confusion and uncertainty that continued to arise out of the federal government’s WorkChoices industrial relation reforms, the State Government’s local government reform and the industrial changes introduced or heralded by the new Rudd Federal Government agenda also resulted in significant contact from councils seeking clarification and advice.

The majority of efforts of senior staff of the Workplace Relations area at this time were invested in advancing/protecting the interests of local government during the government’s development of Workplace transitional regulations and standards designed to effect the transfer of staff from former councils to the new amalgamated or affected councils. This was achieved through LGAQ’s active involvement in the State Transition Committee and the State Transition Committee, Employment Sub-Committee, and negotiation of the Workforce Transition Code of Practice.

Overall, the Association was pleased with the outcome as the measures were overall reasonably consistent with the measures initially designed by the Association as part of the SSS project. While LGAQ was genuinely disappointed with the government’s de-corporatisation of local government as a means of enabling Queensland state industrial relations jurisdiction for all councils (other than Brisbane City Council), the efforts by the Association towards preventing other more detrimental means of achieving the same state government objective and for mitigating against any unforeseen consequences of the de-corporatisation is regarded as a sound investment of resources.

New Advisory Notes and Enterprise Bargaining templates were designed and distributed to all councils to assist in enterprise bargaining. This supporting material was informed by extensive legal opinion and had regard to the input from both a state-wide Enterprise Bargaining Workshop convened for council representatives and the advice from the specifically-formed EB Reference Group comprising IR specialists from selected councils. LGAQ also prepared a number of industrial relations plans as part of the amalgamation process; and provided advice on strategies to populate new staffing structures and appointing senior executives and Chief Executive Officers. The LGAQ was actively involved in the development of contract variations and new contracts for CEO’s, Senior Executives and Specialist Staff.

**PUBLICATIONS**

Forty-one circulars were distributed to councils, providing updates on award and legislative variations as well as information on the latest amalgamation reforms. Fact sheets on the implications of the industrial relation reforms were progressively designed, developed, updated and distributed to assist councils through the maze of uncertainty caused by the reforms. Additional communiques were developed and disseminated on the staffing implications of the local government reforms.

Quarterly WR Bulletins provided important information and updates on significant industrial commission and legal decisions and cases that might have implications for councils as employers. Risks for councils identified from analyses of trends in local government and other industries were also highlighted.

**INDUSTRIAL RELATIONS**

The LGAQ was and continues to be faced with significant challenges in assisting councils come to grips with the changes imposed by amalgamation and industrial relations legislative reform (at a state and national level). The introduction of the new industrial relations reform was significant, and was and is extremely demanding on the staff and resources of LGAQ.

At the business level, there was significant increase in demand for advice and general assistance, with evidence of a commencing upward movement in the delivery of paid services.

It was also a time of significant conflict between the Association, on behalf of councils, and the union movement which was politically opposed to the WorkChoices regime and actively sought to deter its application in councils as well as positioning by unions over council amalgamations and workplace rights.

Despite these challenges, LGAQ has undertaken a significant body of work and achieved some important milestones as outlined below:

- LGAQ appeared before the Senate Committee regarding the national industrial relations reforms;
- LGAQ made submissions to the Award Modernisation initiative of the AIRC - in relation to local government;
- LGAQ has prepared templates for enterprise bargaining agreement making, model clauses and agreement frameworks, and has worked in close collaboration with King and Co and the Enterprise Bargaining Reference Group to prepare this advice and these resources.
- LGAQ negotiated the Local Government Workforce Transition Code of Practice together with amendments to the Local Government Act 1993 (Qld) and the Industrial Relations Act 1999 (Qld).
- LGAQ prepared a central data base of agreement clauses from the private and public sectors which may be used in this round of enterprise bargaining
- LGAQ conducted an information session on industrial relations reform at the annual LGMA conference in Ipswich, as well as being a guest speaker at the National Risk Management Institute of Australasia annual conference. Presentations on IR reform and amalgamations were also made to the Queensland Local Government Accountants Association (Yeppoon) and the Queensland Local Government Record Managers Association (Gympie).
- LGAQ conducted a special workshop on industrial relations
and amalgamations at the Local Government Infrastructure Symposium and continues to conduct workshops at the workplace level on this issue together with negotiating enterprise bargaining agreements.

- **LGQA** has maintained an important relationship with both state and national officers of the Department of Employment and Workplace Relations and Department of Employment and Industrial Relations, officers of whom have presented to numerous workshops, meetings and forums.
- LGQA assisted Etheridge Shire Council regarding its challenge over constitutional corporation status in the Federal Court. Justice Spender had not handed down his judgement at the time of production of this Executive Report.
- LGQA has co-ordinated a project to develop a new pay and classification structure for local government.

During this year two long serving employees Ray Clough and Allan Vincent retired. Allan was the longest serving LGQA employee at the point of retirement.

**AWARD SERVICE**

The growth of local government employment in types and numbers of employees and the turnover in councils’ staff ensured the continuing popularity of the Award Service. There is a significant increase in requests for historical information, which places pressure on the resources available for such research.

There was a noticeable increase in the requirement to educate rather than just inform - enquirers in an understanding and appreciation of the vagaries, interpretation and application of provisions and processes contained within the industrial relations system which regulates local government employment.

**INDUSTRIAL APPEARANCES/DISPUTES**

The LGQA made increased appearances before the state Industrial Relations Commission compared to the previous year. Results have been overwhelmingly favourable for councils, many of which have been settled at conciliation stage, saving councils additional costs associated with arbitration.

There continued to be a slight increase in the number of representations the Association made on behalf of members in other jurisdictions, including courts and anti-discrimination commissions on last year’s figures.

**WORKPLACE HEALTH AND SAFETY**

The LGQA continued to represent councils in the development of the new Code of Practice for Traffic Management for Construction Work and Maintenance Work and represent local government on a number of proposed regulatory changes in workplace health and safety. The email user group has been maintained during this period and plans have been developed to reinvigorate the WH&S relationships with councils.

**CONFERENCES**

The annual WH&S conference was again successful, with positive feedback from delegates supporting the innovative and contemporary approach to setting agendas for the conference.

The second biennial National Human Resources Conference for Local Government was hosted by LGQA on the Gold Coast and proved to be hugely popular with a 40 percent increase in attendance. Delegates unanimously voted in favour of a third conference being conducted in 2009.

**Employment Services**

**EMPLOYMENT ASSISTANCE PROGRAMS**

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

Entry-level employment and training opportunities available to members through the state government **Skilling Queenslanders for Work** initiative continued throughout the past financial year. The initiative was initially proposed in the late 1990s when the Queensland unemployment rate was around 11 percent and introduced in 1998 as the Breaking the Unemployment Cycle initiative. Funding assistance for councils of in excess of $150 million has resulted in over 11,000 additional training opportunities being offered in local government with the programs administered by the LGQA. With the state unemployment rate now consistently recording around 3.7 percent, thereby neutralising the requirement for continuation of such a funding assistance program, the LGQA is pleased that its partnering with the State Government to provide training opportunities continues under the Skilling Queenslanders for Work initiative, albeit with a reduction in the number of full-time positions offered and the level of funding available.

**EXPERIENCE PAYS - MATURE-AGED WORKER EMPLOYMENT STRATEGY**

The LGQA identified in 2004 that, as life expectancy rates increased and the birth rate declined, serious concerns would be raised about a significant shortage of available labour over the next few decades and there would be an obvious risk to local government’s ability to continue its record of strong growth.

In response to this and other industries’ similar concerns, through the three-year Experience Pays Awareness Strategy program, the State Government has recognised the need to encourage all business to promote opportunities for mature-age workers through recruitment, retraining and retention policies. As an employer with a workforce of over 37,000 in Queensland and where some half of these are aged over 45, local government was regarded as a pivotal employer. The LGQA is pleased to have partnered again with the State Government to deliver the program to councils and assist them to develop flexible employee benefits to particularly assist the retention of valued employees. General information sessions have so far been conducted throughout the state at regional launches, Human Resource Consultative Group, Local Government Skills Council meetings and Workplace Relations Forums. Visits to individual councils continue to discuss elements of the strategy. Additionally, the LGQA has provided major input into the production of resources such as the Experience Pays Employer Guide and Employee Handbook.

**SKILLS FORMATION STRATEGY**

The Skills Formation Strategy is a joint government and industry initiative aimed at addressing the skill shortages in four priority areas - Planning, Building Certification, Environmental Health and Engineering. Ms Gabrielle Dorward was engaged by LGQA to project manage the strategy.

In the past year, a number of reports were generated clearly defining the size and scope of the skill shortages facing the local government sector and providing a series of inter-related strategies to address the problem.

These far-ranging strategies include such measures as:

- Development of a “Planning is Awesome” DVD targeting both high school students and university undergraduates
- Amendments to the Building Act to allow Building Surveying Technician to operate across all local government areas
- The establishment of mutual recognition arrangements between Australia and the United Kingdom for building surveyors
- Surveying licensed building surveyors operating across Queensland to identify the number of cadets within the system
- Surveying Environmental Health Officers to identify current attraction/retention issues.
An offshoot of the strategy was the establishment of an Industry Engagement Strategy with the State Government to provide industry advice on how and where the State Government should allocate Vocational Education and Training funding. This Engagement Strategy has been refunded for 2008/2009.

The State Government also approached the Strategy to establish a School-Based Traineeship Strategy for the local government sector, in a bid to lift the take-up rate. This program will run during 2008/2009.

The strategy was also asked to establish a model for the allocation of the Federal Government’s Productivity Places Program across the local government sector.

The Local Government Skills Formation Strategy is due for completion in February 2009 but will be continued at the request of stakeholders to at least December 2009.

RECRUITMENT AND OTHER HUMAN RESOURCE SOLUTIONS

The LGAQ conducted more recruitment activities for councils this year than it had in any previous year, with an increase in the number of positions at a lower management level, while the level of turnover of CEOs, through retirement or relocation, ensured the number of CEO recruitment processes remained reasonably high.

Highlights include:

- The management of recruitment process for nine CEOs and numerous Executive and Senior Management positions
- Further improved the recruitment process to ensure Councils continue to receive value for money. Some of these changes include:
  1. New brand identity for LGAQ Executive Recruitment
  2. Improved advertising strategy to capture attention, interest and increase advertisement response. Introduction of creative advertising concepts and an online media management system to increase efficiency.
  3. Offer to councils a broad range of background checking such as criminal record, educational qualifications, working visa, and driving record.
  4. Ability to conduct fully-transcripted reference checks in most languages internationally.
  5. Offering quality psychometric profiling services to further ensure an excellent recruitment outcome
  6. Development of a Talent Management Database capturing all candidate and council information. Candidates are skill and job coded for future reference. This enables talent to be managed appropriately and sourced effectively.
  7. The above recruitment services tailored to the specific needs of the council. Councils determine their exact needs, blending these services with their own internal HR resources.

The LGAQ was engaged by councils to conduct organisational and positional reviews and to assist in managing organisational restructures. This intensified due to the impact of amalgamations.

WORKPLACE INVESTIGATIONS

The LGAQ conducted a number of investigations for councils at either their initiatives or at the recommendation of other parties, including the CMC.

CONSULTATIVE GROUPS

Quarterly meetings for HR managers (held in regional and south-east locations) and training specialists (held in north Queensland and south-east Queensland) were conducted throughout the state to foster networking, discussions on selected topics and setting priorities for collective HR activities.

EXTERNAL MEMBERSHIP

The LGAQ continued as a member of the Crime and Misconduct Commission Corruption Prevention Group, responsible for recommending strategies to the CMC’s corruption prevention and capacity building programs and training packages.

The Association is also active on the Army Reserve Corporate Consultative group, a high-level taskforce charged with improving the relationship between the Army Reserve and employers of army reservists or future reservists.