ABOUT US

The LGAQ exists to serve the needs of Queensland councils. Our model is to do this by connecting councils to the people and places that count.

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How to read our Annual Report

This report is divided into three sections based around the three LGAQ operating streams – Assist, Advocate and Advance. Its pages contain a snapshot of our story as an Association over the course of a single financial year.
In 2015-16, our 120th year as a peak body, the Local Government Association of Queensland continued its mission to Connect, Innovate and Achieve for our 77 member councils.

The LGAQ remains committed to the overarching goal of serving you, our members, no matter what challenges we face in the course of our duties.

The past 12 months featured significant change to the local government landscape. Councils across Queensland experienced a changing of the guard at the local government elections on 19 March when 41 new mayors were elected.

Of course, the beginning of a new quadrennium also heralded the end of an era for many of our elected members who called it a day, including the LGAQ’s much-loved president Margaret de Wit, who retired after almost 20 years as a Brisbane City councillor.

As this report goes to print, Townsville Mayor Jenny Hill is our Acting President and our 16-person Policy Executive has also changed shape with 10 new faces.

Our staff at the LGAQ have continued to storm ahead and represent the interests of our 77 member councils.

We racked up some impressive wins.

Our advocacy efforts helped secure $200 million in additional funding for councils from the State Budget, including further investment in the Transport Development Infrastructure Scheme (TIDS), the Building Our Regions (BOR) program and the Community Resilience Fund (CRF).

We successfully fought for the introduction of an automatic indexation of maximum adopted charges in the Planning Act 2016, saving councils at least $26 million annually. In June the LGAQ partnered with the State Government to launch QCoast2100, which provides $12 million over three years for councils to conduct coastal hazard planning.

The State Government listened to our argument for a review of the way complaints about mayors and councillors are handled and appointed an independent panel to streamline the process and prevent frivolous and vexatious allegations.

We also made significant progress on the local government innovation agenda, helped by a tour of “smart cities” in Europe and the Middle East and the LGAQ’s second Digital Productivity Report agenda. Thanks to technology, all councils in Queensland can join the innovation train. Remember, it’s “how you live, not where you live”.

We kept our overall membership subscriptions at 2 per cent, while increasing the quality of our performance. In 2015-16, we handed back $6 million in surplus funds via our two self-insurance schemes, LGM Queensland and Local Government Workcare (LGW).

There are more success stories in this Annual Report and I can guarantee you there are many, many more that have not been included due to space restrictions. The LGAQ’s staff will continuing working with vigour and the sole ambition to represent the interests of local government.

Greg Hallam PSM
LGAQ Chief Executive Officer
The LGAQ at a glance

Office location:
Local Government House,
25 Evelyn Street, Newstead

Average daily cups of coffee per employee:

Number of LGAQ staff tweeting:

Total staff steps during ‘Step-tember’:
7,061,373

Total number of employees:
74

Male:
41

Female:
33

Shire of Origin
Where did our staff first call home in Queensland?

LGAQ EMPLOYEES BY SEGMENT

Coastal
Resource
Rural/Remote
SEQ

Brisbane
Moreton Bay
Western Downs
Townsville
Rockhampton
Charters Towers
Cairns
Whitsunday
Sunshine Coast
Mount Isa
Maranoa
Ipswich
Gympie
Gladstone
Fraser Coast
Gold Coast
Central Highlands
FINANCIAL PERFORMANCE

The Local Government Association of Queensland Ltd’s Annual Financial Report for the year ended 30 June 2016 has been certified without qualification by a delegate of the Auditor-General and will be tabled for adoption at the Association Annual General Meeting in October 2016.

The Association recorded a net surplus of $1.58M for the 12 month reporting period to 30 June 2016 after excluding grant revenues and expenditures. This outcome was better than budget forecast and was the result of both increased revenues in some areas and lower than anticipated costs in a number of other program expenditures.

The result also included a one-off payroll tax refund of $1.04M from the Queensland Government received in August 2015. This payment marks the finalisation of the payroll tax matter.

The Association recorded revenue from ordinary activities of $31.1M in the 15/16 year up by $7.5M from that recorded in the previous year. This growth was primarily driven by an increase in grant revenue inflows along with an overall increase in fee for service work performed for our members during the 15/16 year.

From a Balance Sheet perspective the Association’s underlying net equity position increased strongly driven by both the net surplus result achieved in the 15/16 year along with the booking of a $4.7M upward revaluation of the Association’s land and buildings based on the findings of an independent market valuation.

The LGAQ Consolidated Group, representing the financial results of the Association in addition to those of our wholly owned or partially owned entities, collectively generated a profitable result in the 15/16 year. Local Government Infrastructure Services however recorded a loss in the 15/16 year which in large part relates to the ongoing transformation of this business and investment in future opportunities.

The financial performance of the Association for the 15/16 financial year enabled the Association to achieve its overall Budget objectives.

For the eighth year running the Association was able to grow its total revenue base and thus providing the Association with the ability to invest in new resources and services for its members while also delivering a responsible financial outcome.
The 2015-16 year has seen the continuing evolution of several long-standing projects as well as the delivery of some new initiatives.

In terms of new initiatives most were centred upon our support for the local government quadrennial elections in March, which featured:

- **Election night tally room**: live analysis and insights as to election trends;
- **Elected member kits**: personalised compendiums for all elected members and CEOs containing useful resources and information. For the first time innovative auto-play video cards were included in the kits;
- **Elected Member Updates (EMUs)**: two-day elected member regional training programs designed to complement local inductions;
- **Mayoral Mentors**: the appointment of former mayors Bob Abbot, Wayne Kratzmann and Peter Maguire to provide personal support to newly elected and returning mayors;

A $500,000 six-week campaign aired in late September and early October 2015 and included advertising on catch-up TV services as well as free-to-air channels, resulting in over 24.6 MILLION audience impressions.
• Disaster management kits: resources for chairs, deputy chairs and local disaster coordinators of local disaster management groups, and

• Financial leadership workshops: two regional workshops delivered in partnership with King & Company and Queensland Treasury Corporation to assist new mayors in the preparation of their council’s first budget.

New tools developed for councils included:

• Delegations register: a beta version of a newly developed online delegations register was provided freely to subscribers of the Legislation Compliance Service;

• Playbook: a user guide to the full spectrum of products and services available to members via the LGAQ and its subsidiaries; and

• Declarations cards: updated declaration cards were provided free to all elected members and CEOs as a component of the elected member kits.

In addition to these activities work continued on the Better Councils, Better Communities initiative. Key project milestones included:

• Television commercial: a $500,000 six-week campaign aired in late September and early October 2015 and included advertising on catch-up TV services as well as free-to-air channels, resulting in over 24.6 million audience impressions;

• Ready.Set.Go: three additional project phases were completed with additional data sets being added and all data sets being updated with 2014/15 financial year data; and

• The Big Three: in parallel with the Better Councils, Better Communities initiative, the Big Three campaign aimed to focus attention on three council performance domains being Our Business, Our People & Our Story. Elements of the campaign were reflected in the EMU program and resource materials for elected members.

In other work, Assist also drafted the LGAQ Media & Communications Strategy 2020, the LGAQ Digital Member Services Strategy 2020 and the LGAQ Disaster Management Framework, all of which detail a range of new initiatives and major projects for this year and the years ahead.

Assist also acquired the web services function from Resolute IT in August 2015, allowing for the consolidation of all member web services for the Council Business Centre (CBC) and LGOnline within the one team. This has resulted in improved customer service outcomes and, importantly, lower costs for members.

The Member Services Centre (MSC) took a record number of enquiries, boosted specifically through the enterprise-level support it now provides to Local Buy and Local Government Infrastructure Services (LGIS). MSC is also pioneering the implementation of the LGAQ’s new customer relationship management (CRM) software identifying ways to further improve members’ experience through better support.

We continued to provide advice, guidance, information, support, tools and resources. All up, we’ve got members covered.

Glen Beckett
General Manager - Assist
MEMBER SERVICES

Queensland is a big state. With 77 councils employing almost 40,000 people across 245 occupations, the LGAQ’s Member Services are based around a commitment to respect and observe the diversity of member councils, assisting them improve operations and strengthen their relationships with their communities.

MEMBER SERVICES AT WORK

Over 70% of LGAQ staff have travelled to meet with council at least once.

Over 70% of LGAQ staff have travelled to meet with council at least once.

LGAQ staff travelled 1,429,104 kms collectively.

TELLING COUNCIL STORIES

The LGAQ’s Media and Communications team is strategically focused on the positive promotion of local government – a daily goal which relies on a range of innovative communication strategies and platforms.

TOP MEDIA RELEASES

Sleaze has no place in local council election campaigns

2215 online views

Councils to rally against domestic violence

2156 online views

State government delivers for local government, mostly

1990 online views

Satisfaction in Queensland councils on the up

1481 online views

EDITIONS OF COUNCIL LEADER MAGAZINE

6 editions of Council Leader magazine winged their way across the state, jam packed with local government news, stories, editorials and commentary.

COUNCIL COURIER E-NEWSLETTERS

70 Council Courier e-newsletters sent to our subscribers.

AN A 6 WEEK TELEVISION COMMERCIAL CAMPAIGN PROMOTING THE BETTER COUNCILS, BETTER COMMUNITIES CAMPAIGN LED TO OVER 24.6 MILLION AUDIENCE IMPRESSIONS ACROSS FREE-TO-AIR SERVICES AS WELL AS CATCH-UP TV.

OUR DIGITAL FOOTPRINT

tweet tweet...

We’re tracking 63 Queensland elected members on Twitter.

We’re tracking 63 Queensland elected members on Twitter.

22 LGAQ staff are sharing their stories and experiences advocating for Queensland councils.

22 LGAQ staff are sharing their stories and experiences advocating for Queensland councils.

We reached 1,156,900 people with our tweets, and were mentioned 1,198 times.

FACEBOOK FRIENDLY

628 LIKES

Our Facebook likes almost doubled.

1050 LIKES

Our Facebook likes almost doubled.

Ding! 864 SMS alerts sent to local government leaders across the state.

We’re actively working with councils to adopt to change and enhance their communities’ online experience with eye catching designs, accessible content and responsive websites.

Our CBC website team powers 106 council related or affiliated websites across Queensland.

Our CBC website team powers 106 council related or affiliated websites across Queensland.
Nearly 60 events in all, scores of nights away, thousands of kilometres travelled and hundreds of newly elected local councillors involved. The statistics convey the scope of the LGAQ’s elected member update, but it’s the pictures that truly tell the story.

This year’s EMU, as it is affectionately dubbed by the LGAQ, allowed association staff to capture some arresting images of Queensland in the course of delivering scores of workshops around the state.

**A POST-EMU SURVEY SHOWED MORE THAN 80% OF ATTENDEES WOULD RECOMMEND THE SESSIONS TO OTHERS.**

**DISASTER MANAGEMENT**

Over the past 12 months, the LGAQ has deployed to support 24/7 operational activities in the SDCC and maintained its commitment to councils to be ‘amongst the first in−last out’ of state operations.

**Preparedness and prevention**

The LGAQ is committed to providing Disaster Management support to councils. This commitment has been supported by the development of the internal planning framework of LGAQ, subsidiaries companies and the allocation of key internal resources - before, during and after disaster events.

This capability ensures we are able to provide direct support to the Chair of the Local Disaster Management Group to assist this group lead the development of the local understanding of hazards, potential impacts, and strategies to effectively deal with the risk in the community.

Further direct Disaster Management assistance to Queensland councils is provided via the subsidiaries of the LGAQ:

- **Local Government Infrastructure Services (LGIS):** Direct support in management of local assets, development of local infrastructure capabilities, and supply of additional capacity if an event occurs.
- **Propel:** Customer service continuity and local relief and fatigue management for council staff.
- **Resolute IT:** Technical expertise to assist recovery of local ICT system, deliver alternative pathways to local community systems, and to respond to any physical damage of on-site infrastructure.

The LGAQ directly engaged with the Inspector-General Emergency Management (IGEM) in support of the development of the Disaster Management Operatives network – as well as supported the direct consultation of the IGEM with councils.

The Association has worked with key state and peak agencies, as well as non-governmental organisations to further enhance support to the Local Disaster Management Groups and arrangements.

**Response and recovery**

The LGAQ maintains a broad based commitment to representation as well as a capacity to deploy support to affected areas, with LGAQ officers able to be deployed to provide direct support to councils in training, capability development, planning and response to impacts by disaster events.
2015 DIGITAL PRODUCTIVITY REPORT

The launch of the LGAQ’s second Digital Productivity Report recognised the advances that were occurring in Queensland, and highlighted opportunities for the LGAQ to support councils in solving operational issues.

Driving down costs and obtaining efficiencies were among councils’ greatest priorities.

The LGAQ undertakes the productivity report every two years.

TECHNOLOGY TRIALS

The LGAQ plays a key role in demystifying technology by supporting councils to pilot solutions that deliver cost savings or improve service delivery in their local areas.

To date, these trials have included a diverse range of technologies including vehicle tracking using different network transmissions, smart lighting, CCTV, noise sensors, and drone technology.

The funding for these technologies trials is provided through the Local Buy-Technology Industry Development Fund.

Specific projects include a smart lighting and CCTV trial at Cherbourg, smart playground at Livingstone, vehicle tracking in a number of rural and regional councils using satellite, mobile-phone network and hybrid solutions, and funding for infrastructure to improve the delivery of services in communities.

69% of councils saw technology as a driver of productivity.

Over 80% of Queensland councils responded to the survey driving the report.

Smart water meters and lights were among the top new technologies councils were willing to invest in.
GM’S UPDATE

The LGAQ ensured councils had a strong collective voice in 2015-16, a 12-month period characterised by political uncertainty and a raft of reforms. In representing Queensland’s 77 councils, the Association scored key wins while enduring the frustration of short-sighted decisions by both the State and Federal governments.

Protecting councils and their communities from the wrath of Mother Nature was a common theme in our lobbying efforts. Thanks to untiring advocacy by the LGAQ, the State Budget delivered an additional investment of $200 million for councils, including extra funding for Building Our Regions, the Transport Infrastructure Development Scheme and the Community Resilience Fund. In conjunction with the State, we launched QCoast2100, which provides $12 million to help councils develop coastal hazard adaptation plans.

We also enjoyed success in the fight to convince the Federal Government to include day labour as an eligible component of the Natural Disaster Relief and Recovery Arrangements (NDRRA). Unfortunately, the Commonwealth decided to delay $1.2 billion in NDRRA payments to Queensland. The LGAQ and the State Government have united to pressure the Federal Government to stump up what it owes and provide funding certainty in the future.

Protecting our elected members from frivolous or vexatious allegations was another focus for our Advocacy team. Our call for a review of the State’s councillor complaints system was heeded and an independent panel is in the process of streamlining the process.
The LGAQ lobbied the State Government in the development of new planning legislation. While we scored some victories in this Bill, we were dismayed at the late acceptance of amendments that allowed the designated non-State school developments to be exempt from council infrastructure charges. Likewise, we hold serious concerns about the Queen’s Wharf Act 2016, and its enhancement of ministerial powers to assess and decide developments in priority development areas.

On the industrial relations front, we showed we could hold our own when we achieved a single local government industry award. However, the State Government intervened, using its legislative powers, to restore the original, outdated employment conditions. This not only undermined the independent authority of the Queensland Industrial Relations Commission, but it also revealed the significant influence that trade unions have on the Government’s policy agenda.

We have had a lot to say – publicly in the media and privately to the State – about the decisions of the State and Commonwealth.

In the lead-up to the Federal Election on 2 July, we mounted a tenacious campaign to get local government issues at the forefront of the minds of all parties. We held 38 briefings with ministers, MPs, senators and other candidates to seek commitments to our policy agenda. Some favourable responses have been forthcoming however we will continue our lobbying efforts.

On a personal note, this will be my final Annual Report summary as General Manager – Advocacy. I sign off with immense pride in our past achievements here at the LGAQ and also pride in what our efforts now will accomplish in the future.

Greg Hoffman PSM
General Manager – Advocacy

INTERGOVERNMENTAL RELATIONS

By the end of the 2015-16 year, Queensland voters had been to the polls on three occasions for all spheres of government in under eighteen months (Federal Election was held on 2 July 2016). Thankfully for new councils, the timing meant that they had some time to settle in and take the opportunity to lobby federal candidates during the campaign period. The LGAQ again assisted in this role, completing the federal election policy plan and providing tailored support to councils and Regional Organisations of Councils (ROC). For the first time, the LGAQ also ran a targeted social media campaign during the election period that attracted 22,500 hits in under a week.

In the long lead-up to election day, the LGAQ conducted 38 briefings with ministers, MPs, senators, candidates and political parties, pushing for commitments on the proposals contained in the policy plan. Although the government’s response only addressed some issues, the plan will provide a platform for advocacy over the coming term.

The LGAQ welcomed a $200 million additional investment in the State Budget delivered in June for councils on the back
of a strong budget submission. This was the best State Budget for local government since 2010-11.

It included further funding for the Transport Infrastructure Development Scheme (TIDS) which provides greater certainty for council planning as well as additional funding for Building our Regions (BOR) and an extra $10 million for the Community Resilience Fund (CRF). The additional funding for CRF will assist the LGAQ lobby the Federal Government for a permanent mitigation program to protect Queensland communities. While the additional funding will assist councils in the delivery of essential infrastructure, the LGAQ has commenced negotiations with the government and made a submission on improving the funding relationship with local government. The LGAQ continues to seek opportunities for councils post-budget particularly around trade and investment and the Advance Queensland initiative.

On the policy and legislative front, the LGAQ continued to be leaders in providing expert advice to the government around a number of key reports and reviews including the Crime and Corruption Commission’s Report on Transparency and Accountability in Local Government and the Review of the Councillor Complaints System – the first since the system’s introduction in 2009.

The conduct of local government elections on 19 March was a discussion topic and the LGAQ awaits a full review of the Electoral Commission Queensland’s (ECQ) performance. The commission’s technology and on-ground performance detracted from its efforts to consult with councils prior to the election. The LGAQ warned the Government that the ECQ systems and staff could not handle another 89 elections for the four-year fixed term of State Parliament referendum, in addition to a few hundred individual local government elections. On this front however, the LGAQ’s views were heeded by the Government, which provided a $3.7 million subsidy to councils for the impost of the election. Councils should see this refund on their bill from the ECQ.

Given the referendum passed, four-year terms will commence in the next electoral cycle and provide more certainty for the economy and the public. Endorsed by the Policy Executive, the LGAQ supported their introduction provided they were not held within 12 months of local government elections.

The LGAQ estimates councils already subsidise developers more than 30 per cent of the actual cost of infrastructure, representing a funding gap of about $309 million a year.

The LGAQ’s ongoing advocacy and will mean that local government will have access to an estimated $26 million per year in additional charges for councils to fund essential community infrastructure.

The LGAQ estimates, in real terms, infrastructure charges have already dropped in value by over 10% since 2011, which represents approximately $122 million in potential revenue foregone to local government.

The $12 million funding commitment, over three years, is a State Government election pledge in direct response to LGAQ’s advocacy and is unprecedented by either the State or Federal Governments in terms of financial support to local governments for coastal hazard adaptation planning.

In direct response to the LGAQ’s advocacy, the State Government is providing $1 million in one-off grants to help councils to assist in the relocation or removal of smoking related infrastructure.

In response to the broad impacts climate change will have on local government business, the LGAQ has negotiated a three-year funding program (valued at $905,000) for the establishment of the Queensland Climate Resilient Councils program (QCRC).
PLANNING, DEVELOPMENT & ENVIRONMENT

The Planning Act 2016

New planning legislation was passed, with amendments, on 12 May 2016, and is expected to commence in mid-2017. The LGAQ was disappointed that the State Government did not address several priority issues of local government. The inaction was reflective of the Parliamentary Committee’s Report on the Planning Bills, which included just 11 recommendations and only superficially considered the highest priority concerns contained in the LGAQ’s submissions, including the need to remove the inequitable infrastructure offset and refund requirements and the unnecessary process to convert non-trunk infrastructure conditions.

It was also very disappointing that unexpected late amendments were accepted during the second reading of the Planning Bills that explicitly allow development for non-State schools under a designation to be exempt from council infrastructure charges. This late change represents a significant policy shift “where the development is undertaken through Ministerial designation” and also denies community appeals against these decisions.

Both sides of politics ignored the LGAQ’s advice that this explicit exemption and cost shift will be unworkable and unsustainable for councils, particularly those in growth corridors. Under the State Government’s capped infrastructure charges regime, the LGAQ estimates councils already subsidise developers more than 30 per cent of the actual cost of infrastructure, representing a funding gap of about $309 million a year.

Notwithstanding the unresolved issues, notable improvements in the Planning Act 2016, which the LGAQ advocated for on behalf of councils, include:

- the introduction of automatic indexing of maximum adopted charges, saving councils at least $26 million annually;
- an increase in maximum penalties, for numerous offences, from 1665 penalty units to 4500 penalty units;
- retention of code and impact development assessment categories;
- the reintroduction of the ability for councils to designate infrastructure;
- a potential improvement to compensation provisions for managing risks associated with natural hazards (although untested and associated Minister’s rules still pending); and
- an ability for a Temporary Local Planning Instrument (TLPI) to have effect for two years.

Development Assessment Monitoring

The LGAQ and the Council of Mayors (SEQ), with funding assistance from the Department of Infrastructure, Local Government and Planning, are continuing the implementation of the Development Assessment (DA) Monitoring Project.

The project has established an electronic reporting tool for development assessment processes for higher growth, participating local governments. The reporting tool connects into existing council software to extract relevant development assessment data to generate performance reports, useful for mayors, chief executive officers and relevant council executives. Importantly, the project replaces the need for the time consuming and expensive State Government Development Assessment Monitoring and Performance Program (DAMPP).

Overall, the project is progressing well, with testing of council-generated reports and integration of the remaining South East Queensland local governments. Project completion is anticipated in mid-November 2016.

Sustainable Ports Act 2015

The LGAQ has given in-principle support to the Sustainable Ports Act 2015, which passed with amendments on 12 November 2015.

The legislation promises a coordinated approach to planning for port infrastructure across jurisdictions. However, the LGAQ identified concerns for local government, particularly: a lack of regard to impacts on council infrastructure; inadequate public consultation time frames; a lack of transparency for Ministerial consideration of submissions; and appeals against decisions by local government for State Government interests.

The LGAQ and the affected local governments are working closely with the Department of State Development to protect and maintain the interests of local governments and their communities.

Queens’ Wharf Brisbane Act 2016

The Queens’ Wharf Brisbane Act 2016 was passed, with amendment, on 19 April 2016. The LGAQ outlined serious concerns associated with the proposed legislation, particularly related to the broadening of the Minister for Economic Development Queensland’s (MEDQ) powers to assess and decide development outside of all Priority Development Areas (POA).

The LGAQ raised serious concerns that the Bill would further sideline local councils in the development of major infrastructure projects and that it would give Economic Development Queensland too much power over developments in council...
jurisdictions. This expansion of powers to the Minister is seemingly at odds with Queensland Labor’s election commitment to transparency and assurance that legislation “does not place undue power in the hands of the Planning Minister”.

The LGAQ also criticised the Infrastructure, Planning and Natural Resources Committee for deciding against holding a public hearing on the Bill because only eight submissions were received. Two-thirds of the submissions represented the views of local government, the sector most affected by the Bill.

Coastal Hazard Adaptation Program (QCoast2100)

On 2 June 2016, the Minister for Environment and Heritage Protection, the Honourable Dr Steven Miles MP and the former LGAQ President, Margaret de Wit, officially launched QCoast2100. The $12 million funding commitment, over three years, is a State Government election commitment in direct response to LGAQ’s advocacy and is unprecedented by either the State or Federal Governments in terms of financial support to local governments for coastal hazard adaptation planning.

The LGAQ is providing a lead role in the coordination and delivery of the funding program which will support 41 Queensland coastal local governments to progress the preparation of plans and strategies to address climate change related coastal hazard risks over the long-term.

The LGAQ has been engaging with eligible local governments via face-to-face briefing sessions, regional information sessions and scoping workshops to provide more details about the program, the criteria for funding, eligible projects and relevant support mechanisms.

Smoking Bans

The Tobacco and Other Smoking Products (Smoke-free Places) Amendment Bill 2015 (the Bill) was passed on 23 February 2016. The objective of the Bill was to decrease the incidence of smoking through the creation of more smoke-free public places and strengthening of smoking bans in Queensland.

The LGAQ appeared before the Health and Ambulance Services Committee on 15 December 2015 on the Bill and, although broadly supporting the expanded laws, petitioned that these laws would impose significant costs for councils, particularly in regards to installing or revising signage and removing “butt bin” containers from smoke-free areas. Other concerns raised in the LGAQ submission included:

- the need for an ongoing comprehensive state-wide education and awareness strategy; and
- community expectations on local government compliance responses.

In direct response to the LGAQ’s advocacy, the State Government is providing $1 million in one-off grants to help 14 councils to assist in the relocation or removal of smoking related infrastructure.

Asbestos Management

Over the past 12 months there has been significant success for councils in the management of asbestos in domestic settings. Achievements in direct response to the LGAQ’s advocacy include:

- indemnity provisions to assist local governments with their responsibility for administering and enforcing domestic asbestos matters came into force on 1 September 2015;
- ongoing funding of up to $400,000 per annum is now available to Queensland councils to assist with asbestos related clean-up costs where responsible persons cannot be identified; and
- the delivery of training to over 440 council authorised officers across Queensland.

The LGAQ continues to work as a member of the Interagency Asbestos Group (IAG) to respond to any emerging issues to further assist local councils with domestic asbestos-related matters.

Dog Breeder Legislation

The ‘Animal Management (Protecting Puppies) and Other Legislation Amendment Bill 2016’ (Bill) was passed on 12 May 2016.

The LGAQ appeared before the Agriculture and Environment Committee on 16 March 2016 regarding its submission and although supportive of strategies that contribute to the protection and welfare of dogs, the LGAQ maintained that the introduction of these laws needed to address a number of issues affecting local councils, including:

- the need for the state-wide breeder registration database be maintained by the State Government;
- the importance of a comprehensive state-wide education and awareness strategy;
- the prioritisation of the development of a compliance strategy in partnership with local government; and
- the need for the State Government to develop a strategy to respond to welfare issues particularly in regional settings where the capacity of the RSPCA is limited or non-existent.
Bill, the LGAQ is cognisant that many councils are not in a position for a devolution of responsibilities in relation to welfare issues. The LGAQ, along with several councils across Queensland, are currently participating on a State Government working group to develop a compliance strategy incorporating roles and responsibilities to respond to these legislative changes prior to its adoption and the commencement in 2017.

Landfill Bans
The Department of Environment and Heritage Protection (DEHP) conducted a Landfill Disposal Ban Workshop on 26 November 2015 to assist in the design, analysis and feasibility of landfill disposal bans in Queensland.

Although the State Government’s commitment to working with key stakeholders was welcomed, the LGAQ is concerned by the complexities associated with any proposed bans and the considerable impact on local councils and their existing waste infrastructure and operations.

The LGAQ wrote to the department on 29 February 2016 highlighting the range of issues requiring further consideration prior to the introduction of any landfill bans in Queensland, including:

- the preparedness of the waste sector to meet the need in terms of existing infrastructure and market maturity;
- the viability of bans due to the regional diversity across Queensland;
- the impacts on both existing and future local government costs including infrastructure, resourcing, supervision and compliance of unlawful activities;
- understanding the true costs and benefits associated with the introduction of landfill bans of proposed waste streams across Queensland; and
- the development of strategies in the broader national context.

Flying-fox Management
Community expectations of local governments to reduce or remove the impacts of urban flying-fox roosts is continuing to drive expensive interventions. Feedback from councils is that there are limits to what can be achieved and the current levels of expenditure in trying to meet expectations are unsustainable.

The LGAQ wrote to the State Government about the pressures on councils and gained a commitment from the Minister for Environment and Heritage Protection to review the current flying-fox management framework in 2016/17.

In the interim, the LGAQ has presented the Flying Fox Monitoring and Reporting Framework to the State to support the development of a centralised collection of information that is of value to all stakeholders and can support well-informed decision making.

To date, the LGAQ has achieved an agreement to work with the department to review all State materials, processes and activities contributing to current monitoring, identification gaps, provide access to information and to improve communication materials.

Biosecurity Act 2014 Resources and Invasive Plants and Animals Co-investment Model Implementation
As part of implementing the Invasive Plants and Animals Co-investment Model, Biosecurity Queensland has funded the LGAQ to facilitate the establishment of local government Regional Pest Management Sub-committees to provide input to and oversight of the On-ground and Research Services Component of the Land Protection Fund, which is a local government investment of approximately $2.2 million per annum.

In addition, the LGAQ secured State Government funding to develop local government specific information to support local governments with the effective and efficient commencement of the Biosecurity Act 2014 on 1 July 2016.
Queensland Climate Adaptation Strategy and Queensland Climate Resilient Councils program

With councils recognised as critical partners in helping Queensland communities adapt to future climates, the LGAQ is continuing to represent local government interests in the development of the State Government’s Queensland Climate Adaptation Strategy (Q-CAS).

In response to the broad impacts climate change will have on local government business, the LGAQ has negotiated a three-year funding program (valued at $905,000) for the establishment of the Queensland Climate Resilient Councils program (QCRC).

The QCRC is designed to work with councils to ensure governance arrangements facilitate timely and effective consideration of climate impacts and efficient implementation of adaptation options. The program will commence in the last quarter of 2016.

Reef 2050 Plan Implementation

The Reef 2050 Long Term Sustainability Plan was prepared in response to the World Heritage Committee’s recommendations that Australia develop a long-term plan for sustainable development to protect the Outstanding Universal Value of the Reef. The finalised plan was released in July 2015 including 38 actions directly related to local government.

The LGAQ sits on the Reef Advisory Committee, one of two governance groups established to provide oversight to the implementation and review of the plan, and continues to work with the State and Federal governments and the Great Barrier Reef Marine Park Authority to achieve alignment between implementation activities and local government interests.

Stock Route Network Legislation

The LGAQ started the process of establishing a fair and equitable cost recovery model for the use of Queensland’s stock routes in 2003. Although successive state governments have undertaken and supported reforms, no legislative amendments have come to fruition.

The Department of Natural Resources and Mines, in consultation with the LGAQ, has been working on developing the Stock Route Network Management Bill 2016, with the Queensland Government planning to introduce the Bill to Parliament for consideration before the end of this year.

The primary purpose of the Bill is to provide a single, consolidated Act for managing travel and grazing of stock and pasture harvesting on the network and administering these activities on other roads and reserves not part of the network. As the day-to-day managers of the stock route network, the Bill also aims to provide local governments with greater flexibility to administer and maintain the network in their region.
1. INFRASTRUCTURE FUNDING

In 2015-16, the LGAQ continued to advocate for increased infrastructure funding to support councils deliver vital services to local communities and regional economies. Federal funding program announcements included:

- an additional $224.7 million in Roads to Recovery Program funding made available to Queensland councils for the period 2015-2017 through a linkage with federal fuel excise indexation revenue;
- an additional $200 million to the Black Spot (road safety) Program for 2015-2017. The Bridges Renewal Program Round 2, which focussed on local government projects, provided $35 million as a 50 per cent contribution to the costs of 38 bridge projects across 25 Queensland councils; and
- $54 million for 16 projects across 14 councils as a 50 per cent contribution to project costs under Round 2 of the National Stronger Regions Fund (now the Building Better Regions Fund).

The LGAQ also made a number of submissions related to infrastructure funding. In its submission to the Federal Government on the establishment of the Northern Australia Infrastructure Facility (NAIF), the LGAQ emphasised the need for appropriate engagement and a consultation mechanism with local government, which it managed to secure in the NAIF Investment Mandate (Guidelines).

The LGAQ also participated in a Federal Parliamentary Committee Inquiry (and related State Government discussions) on the “value capture / sharing” infrastructure funding debate. In its representations, the Association noted that existing coordination opportunities across levels of government should be better utilised before any new taxes on property values are considered.

To improve alignment of infrastructure priorities and planning, the LGAQ presented a discussion paper on State Government grant system reform opportunities, emphasising that permanent allocative funding programs provide the best value to local government given the need for councils to plan infrastructure upgrades over the long-term.

The LGAQ engaged in regular discussions with the Queensland Reconstruction Authority and the Department of Infrastructure, Local Government and Planning on proposed natural disaster funding reforms and other associated issues such as plant hire re-imbursement.
Several regions have found financial benefits through collaborative activities and joint procurement. For example, the Outback Regional Water Alliance completed a joint procurement for water reservoir cleaning that saved the Alliance more than $50,000 and avoided wasted water by using divers to do the cleaning. Efficiencies are also being discovered through regional consultancies that are supporting councils in making better-informed decisions about their water and wastewater services. The Far North Queensland ROC Water Committee has improved its regional understanding through several training sessions and workshops which were held in the past year, focusing on topics like smart water meters, asset benchmarking and valuation.

With Queensland Government funding secured through to June 2018, QWRAP will continue to build on the strengths developed through the program to date.

Regional Water Supply Security Assessment Program

For the past two years the Department of Energy and Water Supply (DEWS) has been undertaking a program to assess the capability of existing water supply systems across the state to meet future urban demands. This program is intended, in part, to provide support to local governments with longer-term water supply planning for their communities. With an initial focus on those regional towns and cities with the greatest risk and potential growth, the assessments are a jointly produced report between local governments and the Queensland Government, the development of which build a shared understanding of the water supply challenges ahead.

To date eight assessments have been published for Bundaberg, Cairns, Charters Towers, Hervey Bay, Maryborough, Rockhampton, Townsville, and Whitsunday. There are 12 more currently underway: Chinchilla, Cloncurry, Emerald, Gladstone, Gympie, Kingaroy, Mackay, Mossman, Mount Isa, Mount Morgan, Stanthorpe, and Warwick. Collectively the assessments represent just over 60 per cent of the population living in areas outside of Southeast Queensland.
Water and wastewater resources and training for Elected Members

For the first time, the LGAQ this year developed materials and training to educate councillors about drinking water and wastewater services provided by most local governments. A series of quick guides were created and included in the compendiums given to all elected members at the start of this term. In addition to a general overview of water and wastewater services, the guides covered topics like levels of service, models for delivering water, pricing, and water treatment basics. Additional guides will be developed as needed.

A one-day workshop was also held to provide councillors with the knowledge needed to guide their council’s water and wastewater businesses, communicate effectively and honestly with their communities about water and wastewater issues, and support their officers in managing efficient, cost-effective and future-proof water businesses.

The first workshop was delivered as an in-house session to Central Highlands Regional Council. Three regional workshops are being offered in Brisbane, Cairns, and Townsville in the last quarter of 2016.

Working together with the Department of Energy and Water Supply

In April 2016, a new Memorandum of Understanding was signed between the LGAQ, Queensland Water Directorate and the Department of Energy and Water Supply (DEWS), setting out governance arrangements for the Queensland Water Regional Alliance Program (QWRAP), as well as principles of collaboration and the roles and responsibilities of each of the parties.

Building on the renewed agreement to collaborate, triannual meetings of the Partner Steering Committee have occurred since late 2015 to discuss issues such as the Queensland Government’s water strategy, water pricing policy, and drinking water operator certification.

Addressing SunWater bulk water pricing issues

Currently 20 Queensland councils have contracts with SunWater. Full cost pricing may see bulk water rates rise as much as 900 per cent for some councils.

Consequently, the LGAQ has and will continue to work with SunWater and the Department of Energy and Water Supply to create a pricing policy that includes:

- full transparency in bulk water pricing, particularly in regards to how current prices are determined;
- a fair and reasonable pricing framework that clearly describes how asset values are determined and how bulk water prices are constructed; and
- clarity in how potential price increases are to be implemented, and a commitment that there will be no step change increases in prices.

3. ROADS AND TRANSPORT

Roads and Transport Alliance

The efforts of Regional Roads and Transport Groups (RRTGs) to ensure full expenditure of their Transport Infrastructure Development Scheme (TIDS) funding in recent years greatly assisted the LGAQ’s 2016-17 State Budget submission, in which the LGAQ lobbied for TIDS funding to be maintained at $70 million per annum beyond the previous two year commitment that commenced in 2015-16.

The Association’s advocacy efforts will see TIDS funding maintained at $70 million per annum through to the end of the 2019-20 financial year.

The Alliance completed a review of its operational framework which commenced during the 2014-15 financial year. The review has resulted in a renewed focus on RRTGs undertaking regional level planning for critical roads and transport infrastructure and has also incorporated a new suite of reporting requirements following the Department of Transport and Main Roads’ (DTMR) internal audit of TIDS administration. The revised guidelines were distributed to RRTGs in March 2016.

Heavy Vehicle Management

Recognising the need to assist councils with their ‘road manager’ responsibilities under the Heavy Vehicle National Law (HVNL), the LGAQ has worked with the National Heavy Vehicle Regulator (NHVR), the Department of Transport and Main Roads (TMR) and the ARRB Group to rollout the Restricted Access Vehicle Route Assessment Tool (RAVRAT) across the state.

The RAVRAT provides councils access to “Heavy Vehicle Awareness” sessions, a web-based decision support tool, enabling council staff to quickly undertake desktop based assessments of heavy vehicle routes and gain an in depth understanding of permit management options under the HVNL, including the use of pre-approvals to reduce the overall permit burden. With increased uptake of pre-approvals by councils in the last year, overall permit processing times have drastically reduced as a result.

In May 2016, the LGAQ and the NHVR signed an agreement to improve the safety and productivity of the local government road freight network. The Memorandum
of Agreement (MoA), which formalises the relationship between the LGAQ and NHVR, outlines how both organisations will work together to assist councils improve service delivery in their capacity as ‘road managers’ under the HVNL.

4. ELECTRICITY REFORMS

The LGAQ and Local Buy have continued to represent local government on a wide range of regulatory issues including contestable metering, demand-based tariffs and street lights through engagement sessions hosted by Energex, Ergon and the Australian Energy Regulator (AER). These representations ensured the AER’s determinations for the 2015–2020 Regulatory Control Period led to substantial savings for councils, particularly in relation to street lights.

LGAQ was a major contributor to the Queensland Productivity Commission’s (QPC) Electricity Pricing Inquiry with representation on the Advisory Panel for the Enquiry. The LGAQ also made a number of submissions including a range of recommendations that were adopted by the QPC in its final report. The State Government’s response to the report is expected by the end of November 2016.

The LGAQ was also successful in seeking a further deferral in the pass through of Alternate Control Service (ACS) charges for street lights in the Ergon Energy distribution area - an overall increase of approximately $35 million. From 1 July 2014, the State Government passed through an initial 10 per cent of ACS charges to Ergon Energy customers with the recovery of the remaining 90 per cent being subject to the development of a price path that will seek to recover these charges over time. These charges are currently paid via a Community Service Obligation (CSO) payment from the State Government directly to Ergon Energy. Following the 2015 State Election, the LGAQ convinced the new State Government to provide a 12-month moratorium in any further pass through to allow for further negotiations. With the QPC’s Electricity Pricing Enquiry report making a number of recommendations in relation to CSO payments, the LGAQ successfully presented a case for the further deferral for an additional 12 months in order to allow for the State Government’s response to recommendations surrounding CSO payments to be taken into consideration when determining the final price path. A final price path is now expected to be determined before the end of the 2016-17 financial year.

5. RESOURCE COMMUNITIES POLICY

Local Government’s Role in the Assessment of Major Projects

The release by the Government of its Strong and Sustainable Resource Communities (SSRC) Policy Framework and Bill provided the opportunity for the LGAQ to pursue reforms to social impact management processes. The LGAQ’s submission on the SSRC Policy Framework argued that the Government’s approach should be based on the following principles:

• local government is a ‘partner-in-government’ in managing social impacts;
• resource companies have an on-going responsibility to manage the social impacts of their activities;
• an ‘adaptive management’ approach underpins the management of social impacts, in particular cumulative impacts; and
• members of local and regional communities have fair and reasonable access to employment and business opportunities associated with resources projects.

The LGAQ also made a submission to the Independent Review of the GasFields Commission. This submission supported repositioning the Commission to have
a wider role in monitoring and reporting on the economic and social impacts of the resources sector. The LGAQ argued a revamped Commission could greatly contribute to improving public confidence and support for the resources sector by developing a practical framework for understanding the cumulative social and economic impacts of this sector (both positive and negative), with the overall aim of improving the performance of resources companies, as well as state and local governments, in managing these impacts.

As well as making formal submissions on proposed policies, the LGAQ is also an active participant on the Resources Community Roundtable, which is chaired by The Hon Dr Anthony Lynham, Minister for State Development and Minister for Natural Resources and Mines.

Review of Fly-In, Fly-Out Arrangements

The LGAQ’s Policy Statement 2015 states that local government is opposed to 100 per cent fly-in, fly-out (FIFO) workforce arrangements in established resource communities because it discriminates against workers outside identified FIFO hubs, has negative impacts on social cohesion and diminishes the economic benefits of resources projects to local and regional communities.

The Government’s draft SSRC Bill proposes new legislative measures aimed at:

- preventing the future use of 100 per cent FIFO workforce arrangements on large resource projects near regional centres; and
- prohibiting future discrimination against local residents during the recruitment process for new operational workers.

While the proposed measures are broadly consistent with the LGAQ’s policy position, the LGAQ nevertheless has concerns regarding the detail of the proposed measures, in particular that the SSRC Bill is too narrow in its application. The LGAQ has been actively involved in negotiating the wording of the SSRC Bill in order to ensure that local residents have fair and reasonable access to employment opportunities associated with resources projects.

6. REVIEW OF REGIONAL TOURISM ORGANISATIONS

Collaboration between state and local governments is important to the success of Queensland’s tourism industry. A key element of this collaboration is the role performed by Regional Tourism Organisations (RTOs). A range of views have been expressed by local councils in relation to the effectiveness of RTOs in promoting tourism in regional areas. In order to gain a clearer understanding of the issues facing local government with respect to the role of RTOs, the LGAQ commissioned KPMG to undertake a review of the operational effectiveness of RTOs from the perspective of local government.

The review is examining existing RTO arrangements could be improved upon in order to better realise growth in Queensland’s tourism industry. As part of the review process, in August and September, KPMG interviewed a cross-section of local councils, as well as key State Government tourism agencies.

The Review Report will be circulated to local government by the end of 2016 and considered further by the LGAQ’s Regional and Economic Development Advisory Group and Policy Executive.
Events of 2015–16 demonstrated that the LGAQ, acting on behalf of councils, could hold its own industrially and achieve benefits for councils and their workforces when operating in a fair, balanced and contemporary industrial relations environment. These same events also showed however that trade unions have an inordinate amount of influence with the Labor State Government in the area of industrial relations and that the state is prepared to support the industrial interests of these parties to the exclusion of those of local government.

Following a comprehensive award modernisation process conducted by the Queensland Industrial Relations Commission (QIRC) the LGAQ was successful in its efforts to achieve a single local government industry award. However, the State Government, at the request of unions, suspended all enterprise bargaining activities and legislated to have the earlier decisions of the QIRC on the new Local Government Award reviewed with a view to return to the former pre-modernised arrangements.

The LGAQ rigorously supported the retention of the single award while opposing the return of dated and irrelevant employment conditions. A number of councils which were already subjected to the award testified to their satisfaction with the new arrangements and outlined significant benefits for the councils and their workers arising out of the new award. Initial analysis of the workforce census data confirmed that councils under the new award were actually increasing staff numbers while councils subjected to the previous conditions continued to shed staff.

A comprehensive industrial audit of most councils by the LGAQ identified a range of concerns for councils and workers arising out of a plethora of overlapping, competing and dated awards. This contrasted significantly with the audit of those councils operating under the new award which reported and identified very few concerns.

The QIRC ultimately decided in favour of the retention of the single award and the conditions contained therein.

The State Government appealed the QIRC’s decision, with the Minister subsequently directing the Commission to restore pre-modernised conditions and increase the number of prescribed awards for local government. An unsuccessful challenge by the LGAQ in the Supreme Court confirmed the Minister had the power to issue such directions.

The LGAQ will continue to pursue options for a modern, fair and balanced industrial relations system that supports the interests of councils and the sustainability of a local council workforce.

Analysis of the workforce census data confirmed that councils under the new Local Government Award were actually increasing staff numbers while councils subjected to the previous conditions continued to shed staff.

The State Government entered into a further $3 million program (2016–2018) with the LGAQ to build capacity across Queensland Aboriginal and Torres Strait Islander Councils.

Industrial Relations
Also in 2015, the LGAQ participated in a taskforce established by the state to review the industrial relations system operating in Queensland. Given the system effectively only incorporates the state public service and the local government sector, employer representatives on the taskforce were vastly outnumbered by trade union representatives and government appointees.

The taskforce presented its report to the government in December, recommending a new Industrial Relations Act with considerable changes which understandably favoured employees and trade unions. The report highlighted a number of objections from the LGAQ and other employer representatives to many of the recommendations. A new Industrial Relations Act is expected to be operating from early 2017.

Building Capability and Capacity

The LGAQ continued to support councils to lift workforce capability across the sector. In recent years, Queensland’s non-Indigenous councils have had access to more than $15.75 million of Government funding under a fully contestable industry driven brokerage model.

During 2014/15, a $1.6 million program targeting the skill development needs of the 16 Queensland Aboriginal and Torres Strait Islander Councils achieved an 87 per cent completion rate with 961 personnel in remote indigenous communities gaining a formal qualification or accredited skill set. This exceeded the program target of 200 enrolments with a 50 per cent completion rate.

This program was so successful that the State Government entered into a further $3 million program (2016-2018) with the LGAQ to build capacity across Queensland Aboriginal and Torres Strait Islander councils. This program is on track to exceed all program targets.

Strategic Workforce Planning and HR Metrics

The LGAQ has been working with a group of 19 councils to develop a consistent set of human resource metrics to provide councils with a benchmarking tool, to help them better manage workforce matters and provide a foundation for strategic workforce planning. Two data runs have been undertaken and a third will get underway in late 2016.

Work is underway to integrate data from the HR Metrics into the Better Councils Better Communities reporting tool and initial data sets uploaded to demonstrate to HR Managers what the next generation of benchmarking reporting looks like.

Benchmarking will soon be possible at the national level with states and territories agreeing to a set of common national Local Government HR Metrics.

The LGAQ has developed a local government Strategic Workforce Planning Model. Over a third of councils have now worked with the LGAQ to develop their own plans using our manuals and integrated templates.

Interest in HR metrics and strategic workforce planning continues to grow.

Data Collections

The LGAQ’s annual collection of workforce census data provides the only set of consistent time series data for 2001 to 2016. The data features in the LGAQ’s Skills Workforce and Development Plans and has been used by state and federal government departments as well as the Productivity Commission. These data sets have been formatted to facilitate uploading to Better Councils Better Communities reporting format, allowing real time access to data.

The data allowed us to make key representations to the State and Federal governments on legislative and policy change, funds allocation and other government and industry interventions.

First Start Apprentice and Trainee Program

As part of its election commitment, the Queensland Government reintroduced the Skilling Queenslanders for Work programs, including the First Start Program which assists with funding incentives of qualifications for new apprentices and trainees in local government. The Queensland Government approached the LGAQ to administer the program which initially was proposed to deliver funding incentives for 200 positions across local government. However, following some early successes, the LGAQ was ultimately able to deliver funding incentives for 260 positions and funding of $3.25 million across 57 councils.

Negotiations are currently underway to increase the number of participants to 300 for 2016/17.

Aboriginal and Torres Strait Islander Councils Representation and Support

As part of a strategy of building collaborative relationships between spheres of government for Aboriginal and Torres Strait Islander communities, the LGAQ continued to make representations and create opportunities to build:

• collaborative partnerships between the Federal and State governments and Aboriginal and Torres Strait Islander...
local governments to improve the economic and social wellbeing of the communities; and

- State and Federal government bureaucracies that are responsive to Aboriginal and Torres Strait Islander councils’ considerations and views prior to development of policy options.

The 2015/16 year realised an unprecedented level of direct and informative communication and contact between elected leaders from the three spheres of government on matters relating to the Aboriginal and Torres Strait Islander communities.

Indigenous Leaders Forum (ILF)

The Indigenous Leaders Forum (ILF) continued to grow in status with the LGAQ receiving regular requests from state, federal and other government bodies to attend the ILF meetings. ILFs were convened in October 2015 in Toowoomba and June 2016 in Cairns (as the inaugural meeting of newly elected councilors and mayors).

At the October event, leaders reflected on the achievements of the ILF over the past four years and to identify how the needs of the leaders could be better supported in future. Members called for urgent health reforms to maximise on-country delivery of health services in order to close the gap on indigenous disadvantage.

The “Conversation with the Queensland Police Service” was held in Cairns to coincide with Elected Member Updates for newly elected Aboriginal and Torres Strait Islander mayors and councillors, executive members of the QPS including the Police Commissioner and all relevant regional officers-in-charge. Benefits from this initiative include improved relationships and the beginning of a partnership to address law and order issues.

Key outcomes from the ILF included:

- the establishment of a Reparations Taskforce by the State Government in 2015 to oversee the allocation of a further $21 million in Stolen Wages;
- an agreement with government on the conclusion of the reviews into Alcohol Management Plans (AMP);
- continued calls for the restoration of the SGFA funding levels;
- ongoing discussions with Government on the expunging of criminal records as a result of AMP breaches;
- support for a constitutional recognition of First Australians website launched and links provided to all councils;
- support for James Cook University research into the impacts of drugs other than alcohol within indigenous communities;
- an agreement with the Government to formulate a position on the issue of government ownership of retail stores in communities as a matter of priority;
- the push for the continuation of National Partnership Agreement on Remote Indigenous Housing (NPARIH) or a similar program post-2018;
- advocacy for the establishment of a reference group of council representatives to advise the Australian Local Government Association (ALGA), and represent where appropriate on Federal Government matters that directly target, and/or apply to, the discrete Aboriginal and Torres Strait Islander communities across Australia;
- advocacy for the review of the Rural Job Service Provider program; and
- the appointment of an ILF nominee as ex-officio representative of the PCYC board.
ADVANCE
Supporting Queensland councils drive to innovate through smart services and sustainable solutions.

GM’S UPDATE
The Advance Stream enjoyed yet another successful year with a number of businesses recording revenue growth. Key service areas expanded or introduced new products and the stream’s commercial activities now have a collective turnover of $150 million and management of 400 staff and contractors.

Propel, one of the LGAQ’s flagship subsidiaries recorded its strongest financial results since being established in 2006, returning $1.52 million in consolidated surpluses back to its shareholders. The Services Queensland partnership with Ipswich City Council entered its 9th year of successful operations and partnerships with Mackay Regional Council and Liverpool City Council in New South Wales thrived in their second year of operations.

Propel’s shared services client base now exceeds 20 organisations.

Total Solutions registered an overall 34 per cent increase in revenue and significant growth in many business areas. Its staff trained more than 4000 council staff – twice as many as the previous financial year – and worked with all 77 councils. Online training services continued to grow, with the release of two new e-learning courses, Authorised Persons and Local Government Worker. In total, about 22,000 courses were delivered to council employees via e-learning platforms.
The Workforce team carried out 20 independent workplace investigations and 38 industrial relations audits that identified tens of millions of dollars in savings for councils.

All key areas of Local Government Infrastructure Services – advisory, energy and innovation – were in demand and gross income increased 90 per cent on the previous year.

LGIS made significant progress in geothermal power projects for Queensland councils, completing the detailed design and procurement of the Winton plant, concept designs for plants at Charleville and Longreach, and pre-feasibility reviews for projects in several other towns.

LGIS Business Solutions also began a detailed feasibility study into smart street-lighting on behalf of the SEQ Council of Mayors and launched the RPA (Remote Piloted Aircraft) Gateway Service, using drones to capture data, inspect assets, ensure compliance and plan operations for local government.

Our self-insurance schemes continued their outstanding value-for-money services. Between Queensland Local Government Mutual (LGM) and Local Government Workcare (LGW), about $6 million in surplus funds were returned to members.

LGM Assets had a very successful first year in operation, achieving its financial and membership objectives.

Resolute IT celebrates 20 years of continuous service to local government this year and currently provides ICT support to more than 50 councils across the state, engaging about 2500 individual users.

Three-quarters of its customers operate in remote or regional Queensland and Resolute remains a reliable source of support for disaster recovery infrastructure.

In the past 12 months, Resolute’s core service offerings have focused on the provision of cloud brokerage and systems integration services. The organisation also entered into formal partnerships with several leading technology vendors, along with a small number of niche service providers.

Once again, Local Buy returned a solid dividend back to the LGAQ and continued to develop services for local governments, other public entities and not-for-profits, including solar panels and batteries. Its probity advisory service was taken up by councils across Queensland and the Department of Transport and Main Roads for several projects.

Several key contracts were modernised to meet the needs of local government. Local Buy moved to a cloud-based platform to ensure easier access for employees based elsewhere in the state.

The following year will continue to involve structural and operational reviews of each business area to ensure we are best placed to deliver quality services to our clients.

Brent Reeman
General Manager – Business Enterprises
Total Solutions provides a wide range of specialised local government training and consulting services to our member councils on a fee for service basis.

We have had another very successful year with significant growth in many areas of our business with an overall increase in revenue of 34 per cent. Over the past year we trained almost 4000 council staff, double that of the previous year. Across training and consulting, Total Solutions worked with all 77 councils during the year.

Total Solutions continues to work co-operatively with our council members to deliver relevant and effective training to meet their needs. During 2015-2016, we continued our on-site visits to councils to understand their specific needs and skills gaps, meeting on-site with 39 councils. In response to this, we developed a number of new courses including the Diploma of Leadership and Management and a number of new short course topics including Deliver and Assess in the Workplace, a number of animal management courses, Issuing of Infringement Notices, Local Government Worker, Effective Delegation and Performance Management.

Public courses were offered at 27 different locations and combined with in-house courses, we delivered training at 45 different locations around the state. This year, Total Solutions delivered 39 full qualification courses plus a number of individual accredited units and 220 short courses, with a total of approximately 420 days of training.

Our online training services continue to grow and during 2015-16 we released two new e-learning courses, Authorised Persons and Local Government Worker, both of which have been very popular with councils. We are continuing to develop tailored courses to suit Queensland councils and will release more in the coming year. A total of around 22,000 courses were delivered to council employees via our eLearning platforms, providing councils with a cost-effective solution to their training requirements.

Our Workforce team has grown during the year with more and more councils appreciating the expertise we offer the local government sector and the value for money we deliver. During the year we undertook 28 independent investigations and provided advice on many hundreds of workforce matters to councils. Workforce also provided a wide range of general HR advice to councils, including an increasing demand for CEO performance reviews. Workforce undertook 38 industrial relations audits across Queensland identifying tens of millions of dollars in savings for councils. The team also continued to provide expert representation for councils in industrial matters before the Queensland Industrial Relations Commission.

Total Solutions has continued to provide a wide range of financial, regulatory and internal audit services to a range of councils including provision of providing internal audit services to 10 councils, Audit Committee members for three councils and delivery of templates and workshops for fraud management on behalf of the Department of Infrastructure, Local Government and Planning.

Recruitment services expanded significantly during the year, undertaking seven CEO recruitments and a number of senior executive recruitment processes, as well as providing part services to support councils on a range of other recruitment. We also provided councils with short-term contractors across a range of roles and undertook independent executive salary reviews for councils.
Results for the 2015/16 year indicate increasing demand for services across all key areas of the business. Gross income for the organisation increased 90 per cent over the preceding year demonstrating improved penetration into target markets including advisory services, energy and innovation. Project delays have continued to impact on net revenue, however, with several geothermal energy projects being deferred to the 2017 financial year.

Key achievements across the various business units for the year include:

Energy Services

Detailed design and procurement of the geothermal power plant for Winton Shire Council was completed, with the plant scheduled to be operating in early 2017. LGIS also completed concept designs for geothermal plants at Charleville and Longreach and pre-feasibility reviews for geothermal power at several other towns.

LGIS continued discussions with Ergon Energy Queensland on using its distribution network as an alternative to councils building private networks for their geothermal power projects. Ergon is interested in collaborating with LGIS to combine geothermal, solar and battery storage technologies to provide power for entire communities through micro-grids. Community-focused projects totalling 100MW of generation capacity are expected to be progressed over the 2017 financial year.

Advisory Services

Demand for general advisory services experienced strong growth over the 2016 financial year with cost savings delivered to numerous councils through rigorous project management practices and independent project oversight.

LGIS’ service offering has continued to develop with expertise covering several technical infrastructure advisory disciplines including:

- project business case assessments;
- procurement and delivery strategies;
- project management services;
- strategic asset management;
- disaster management;
- waste management; and
- development of sophisticated financial and logistics models.

Business Solutions

The LGIS Business Solutions team continues to focus on the development of innovation offerings including technological solutions and industry-leading consulting services.

LGIS’s expertise in Smart Cities and Smart Infrastructure has been highlighted by key project appointments including a detailed feasibility study into smart street lighting on behalf of the SEQ Council of Mayors. LGIS has also developed strategic partnerships to facilitate the delivery of operational efficiencies and cost savings to the local government sector through the deployment of smart street lighting, smart water meters, smart meters and CCTV.

LGIS also launched the RPA Gateway Service (Remotely Piloted Aircraft) pioneering the use of drones for local government services including geospatial data capture, asset inspections, compliance inspections and operational planning.
Resolute IT continues to play an important role in supporting the ICT requirements of dozens of remote and regional councils in Queensland.

Resolute will celebrate twenty years of continuous service to the local government community in 2016 and remains a committed partner of Queensland councils.

Although trading conditions in the ICT sector remain extremely challenging, Resolute has continued to evolve to ensure that its service offerings remain relevant. However, a combination of unpredictable purchasing patterns, tightening capital budgets and the gradual transition to cloud-based services impacted the company’s financial performance.

The business has been quick to respond to these emerging realities and has repositioned its core service offerings to become a provider of cloud brokerage and systems integration services.

Furthermore, Resolute has successfully repurposed its managed services capability to ensure that it is meeting industry best practice with respect to the systems, tools and processes that underpin the business.

During the 2015-16 financial year, Resolute also formalised partnership arrangements with a number of leading technology vendors together with a small number of emergent niche providers in Queensland.

Resolute provides critical ICT support to over fifty councils in Queensland, embracing some 2500 users across the state.

Our understanding of the challenges faced by regional and remote communities ensures that local government has access to a trusted partner who is skilled in working alongside local managers to generate positive business outcomes.

This is perhaps best reflected in the increasing number of councils in Queensland who utilise Resolute’s services to develop corporate ICT strategies, particularly with regards to cloud-based technology acquisition.

75% of Resolute customers operate in remote or regional Queensland

Management of over 280 terabytes of data storage

Major supporter of disaster recovery infrastructure

Propel has also invested heavily in building a dedicated shared services capability which is tailored to meet the needs of local government and other organisations across Australia. Propel’s shared services client base now exceeds 20 organisations and is growing at the rate of approximately one new client per month. Propel’s client based has expanded to include councils in Queensland and South Wales, Brisbane Airport Corporation and an electricity retailer based in Western Australia.

Propel’s managed services offerings now span contact centre support, debt recovery, digitisation/archiving, records management and out of hours services.

In line with a measured diversification strategy, the business entered the Advisory Services sector during the 2015-16. Our ‘Propel Alongside’ delivery model enables a council’s own employees to utilise Propel’s intellectual property to develop, build and deliver both tactical and strategically important service improvement initiatives. This provides councils with additional local capacity to undertake challenging projects.
Queensland Local Government Mutual (LGM) is Queensland local government’s legal liability and assets self-insurance scheme which operates with the sole objective of delivering benefits to councils and local government-controlled entities. Since its inception in 1994, the scheme has provided 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.

On 30 June 2015, LGM launched a new fund to provide cover for local government assets and the full range of related covers required by councils including motor vehicle, machinery and personal accident. LGM Assets had a successful first year and achieved its membership and financial objectives.

All members renewed for 2016/17 and five additional members joined from 1 July 2016. A key objective of LGM Assets is to directly assist members enhance asset management processes and outcomes. Key elements of that assistance are ensuring the accuracy of asset insurance schedules and conducting professional risk assessments of members’ key community assets. With the new assets fund in place, LGM is now providing councils with a local government controlled one-stop shop for all insurance and risk servicing requirements.

To underline that position, the overall operating brand ‘Local Government Mutual Services’ (LGMS) was established. Over time LGMS will become a single portal for accessing services from LGM and also Local Government Workcare.

As was the case in 2015, the ongoing strength of LGM’s financial position enabled the LGM Board of Management to determine that further surplus funds were available for distribution to members. With the support of the LGAQ, arrangements have been made for a total of $3 million to be distributed to continuing LGM members as part of the 2016/17 member contribution invoicing process. This distribution follows the $2 million surplus distribution in 2015.

Local Government Workcare (LGW) is a joint undertaking by Queensland councils, council-controlled entities and the LGAQ to hold a workers compensation self-insurance licence. Scheme members are provided with full workers’ compensation cover and pro-active claims management, injury management and injury prevention services. LGW seeks to maintain a more stable and predictable cost environment, and directly assist members to reduce the incidence and cost of workplace injuries.

2015/16 was another strong year for the self-insurance scheme. Continuation of the favourable claims environment and effective management of claim costs will produce another sound operating result. The overall position once again enabled the LGW Management Committee and the LGAQ to return surplus funds to members.

A total of $3 million was returned to members in 2016. Taking into account the $2 million surplus distribution in 2015, the total of surplus funds distributed by LGW since its inception in 1998 is $17.4 million.

LGW has continued to support members enhance their workplace health and safety management processes.
QUEENSLAND LOCAL GOVERNMENT HEALTH PLAN

The Queensland Local Government Health Plan is a joint initiative of the LGAQ and Choosewell and is supported by the national health insurance fund HCF.

The Plan involves a new approach to reducing health insurance costs by establishing an excess refund pool that will refund the policy excess payable by Plan members if they need to go to hospital. This allows plan members to achieve significant premium savings by taking on a policy excess with their hospital cover but not being required to meet the cost of the excess if they need to make a claim for hospital treatment.

The excess refund pool used to refund policy excess payments made by Plan members is funded by the Plan’s supporting health fund, HCF. This approach to health insurance provides employees with an additional workplace benefit specific to local government and supports efforts to identify councils as attractive employers.

The Plan is open to council employees and elected members. During 2015/16 over $19,500 in excess reimbursements were paid to council employees.

LOCAL BUY

Local Buy had another successful year in 2015/16, returning a solid dividend back to the LGAQ.

Mr Phil Spencer and Mr Bill Simpson resigned from the Board during this financial year and were replaced by Ms Teresa Handicott and Ms Leanne Muller. Mr David Foster has also been appointed to the Board. Mr Ian Leckenby remains as Chairman and Mr Daryl Hitzman and Mr Brent Reeman are the remaining members. Local Buy has continued to develop contracts for local governments and other government entities and not-for-profits to access. A contract for solar panels and batteries has been formulated and we are also currently scoping a new contract for waste management which will be done in conjunction with some of the other states. At a national level, we are also investigating a hardware products contract. Local Buy has also renewed a range of existing contracts to ensure they are contemporary and meeting the modern needs of the local government industry.

Internally, Local Buy made the move to a cloud-based platform which required considerable resourcing, but has made for easier access for our employees based in Townsville and on the Sunshine Coast, as well as enhanced functionality and access to our system when we are travelling the length and breadth of the state. Local Buy has continued to be represented at a range of local government conferences. A major highlight was a trip in the Gulf with Telstra, LGIA Super and other local government bodies to visit remote and Indigenous councils in May. Other services offered by Local Buy have had an increased take-up in the past year, not just by local governments in Queensland but also by the State Government. Our Probity Advisory service was taken up by the Department of Transport and Main Roads for several projects, and councils across Queensland have tapped into this service for larger or more complex projects.

Several councils have approached us to undertake workshops on local content and these have commenced. We are also undertaking reviews of procurement procedure and policies across a number of councils.