

FINANCIAL SUSTAINABILITY STATEMENT



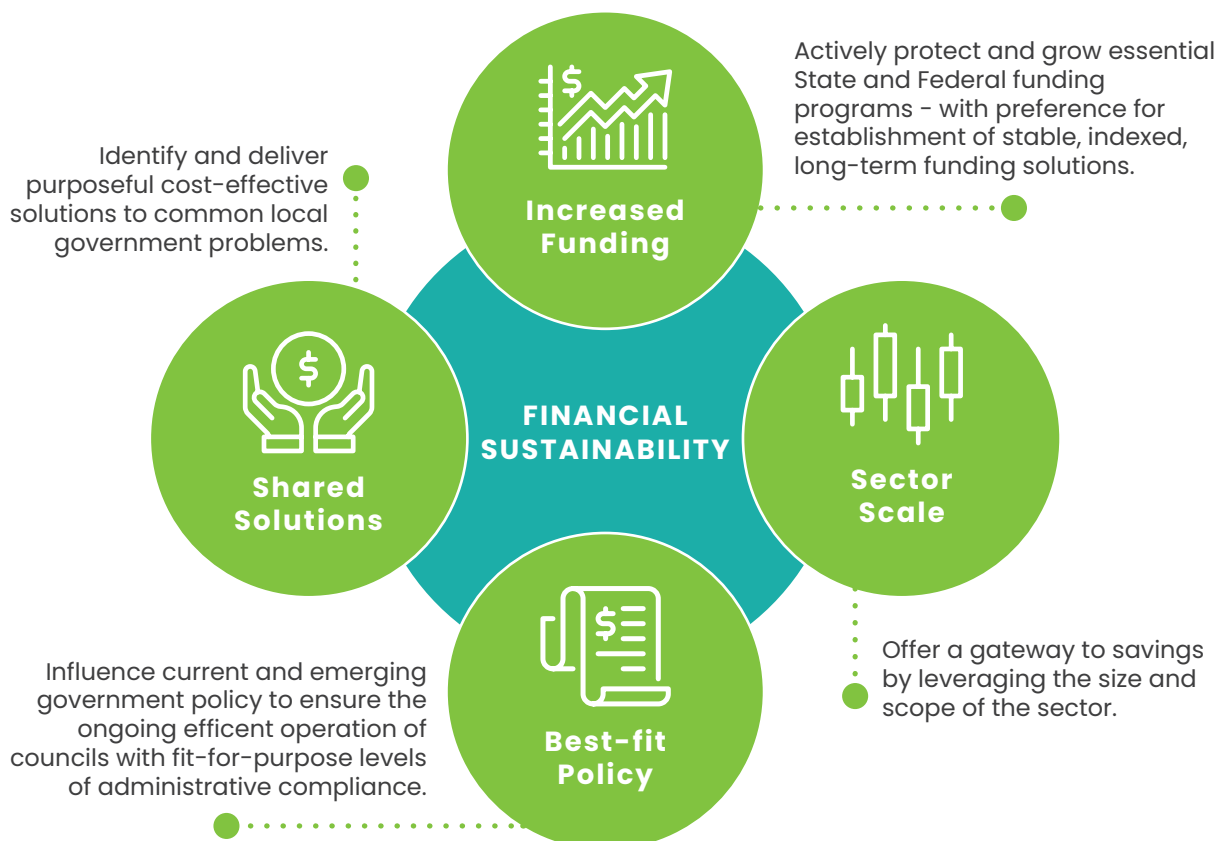
Position statement

Queensland councils both big and small are reliant on the Federal Government and Queensland State Government to fund the delivery of essential services and infrastructure which local communities depend upon.

This reliance results from the frank constraints placed on councils' own source revenues and the significantly greater taxation powers held by state and federal governments.

Consequently, financial sustainability – the ability to balance ever-growing community needs for services and infrastructure within an operating environment of constrained revenues and ever-changing government funding programs – remains the issue of greatest concern to Queensland councils.

On behalf of Queensland's 77 councils, the Local Government Association of Queensland (LGAQ) continues to tackle this issue on four active fronts.



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Increased funding

The collective voice of local government can be harnessed to influence decision makers regarding the size and shape of essential local government funding helping respond to the financial sustainability challenge.

- Annual Federal and State Budget submissions.
- Daily, ongoing advocacy on funding matters with Ministers, MP's and senior bureaucrats.
- Targeted project funding in areas as diverse as Coastal Hazards and Workforce Training.
- Grant sourcing and application service to help members secure contestable funding.

Successfully secured more than \$1 billion in additional funding over the last 4 years.



Shared solutions

It makes sense to do things once, well, for everyone. Removing the need for unnecessary duplication helps reduce operating costs and contributes to financial sustainability.

- Trusted advice through the governance and industrial relation help desks.
- Legal opinion service offering access to professional guidance on legal matters.
- Up-to-date mapping of available delegations through the delegations service on LG Online.

Estimated to save the sector >\$20 million per annum.



Sector scale

When councils join together, they unlock significant bargaining power. These collective arrangements improve buying power, expand the breadth and quality of services, and help reduce overheads which all contribute to enhanced financial sustainability.

- Risk management and bespoke insurance cover through LGMS.
- Procurement solutions that strengthen compliance, verify suppliers and improved visibility of purchasing data through Local Buy and Nex Gen.
- Data analytics through LG Sherlock. Professional development, energy efficiency and 24/7 customer service support through Peak Services.

Estimated to save the sector more than >\$170 million per annum.



Best-fit policy

Reducing administrative overheads can also assist councils to reduce internal costs through improved levels of efficiency and productivity. Every dollar saved in operations is a dollar available for other purposes, helping council to be more financially sustainable.

- Advancing grant reform to achieve more allocative, less contestable grant funding.
- Lowered reporting obligations for funding programs such as Works for Queensland (W4Q).
- Streamlined data collation and reporting for DA's in high growth areas via LG Sherlock.

Estimated to save the sector more than \$5 million.

As a not-for-profit membership-based Association, every dollar earned through our own work or that of our subsidiaries gets reinvested – helping to keep membership subscriptions low, service levels high and opens doors each year to new service and support options.



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