

Gold Coast City Council

Annual Report

2002-2003

Serving the community 2002-2003

This Annual Report informs stakeholders of the year's highlights and major achievements in delivering economic, social and environmental outcomes to Gold Coast. The report outlines how Council performed against the strategic direction and objectives of its Corporate Plan 1998-2003 and Operational Plan 2002-2003.

The disclosure of information contained in this report demonstrates Council's commitment to open, transparent, responsive and accountable governance.

Audited financial statements are contained in the report to meet legislative obligations; however, Council's performance has also been simplified into a Community Financial Report on pages 79 to 81 of this report.

The Annual Report informs Gold Coast City Council stakeholders (including residents, ratepayers, visitors, investors, government agencies and other interested parties) of how Gold Coast City is governed and managed.



Gold Coast City Council

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02-03

Additional copies

Copies of this annual report can be obtained by:

- logging onto Council's website www.goldcoastcity.com.au - go to 'Fast Links' on the home page and select 'Annual Report 2002-3'
- visiting any of Council's 14 branch libraries
- e-mailing plan&perform@goldcoast.qld.gov.au
- telephoning Council on (07) 5581 7459 or
- writing to Council at PO Box 5042, GCMC QLD 9729, Australia.

Council invites your feedback

If you would like more information on any matters in this report, or want to provide feedback on how the report could be improved, please contact Council's Corporate Planning and Performance Branch on telephone (07) 5581 7459, e-mail plan&perform@goldcoast.qld.gov.au or write to PO Box 5042, GCMC QLD 9729, Australia.



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View from the Gold Coast hinterland to the coastline



Sister cities

Council has seven active Sister City Agreements and one active Friendship Agreement. They are:

- | | |
|--|--|
| 1. Dubai, United Arab Emirates | 5. Taipei, Taiwan |
| 2. Beihai, People's Republic of China | 6. Tainan, Taiwan |
| 3. Takasu, Japan | 7. Fort Lauderdale, United States of America |
| 4. Kanagawa Prefecture, Japan (Friendship Agreement) | 8. Noumea, New Caledonia |



Key city statistics

	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
Estimated resident population**	381,367	394,675	409,111	423,719	438,473	453,644***
Total number of rateable properties	169,251	176,549	183,658	190,742	196,647	201,024
Average valuation of residential allotments (Unimproved Capital Value)	\$78,290	\$82,460	\$83,730	\$85,510	\$87,135	\$90,200
Number of approved lots	5,328	3,707	3,012	2,342	4,038	6,924
Number of building approvals (Council and private certification)	10,394	10,231	10,954	8,085	11,760	11,297
Value of building approvals (Council and private certification)	\$1,038M	\$ 891M	\$1,066M	\$ 799M	\$1,353M	\$1,750M
Water consumption**** (metered supply in megalitres)	51,304	49,835	52,118	58,903	63,715	49,228
Number of premises connected to water mains	175,000	182,000	185,000	190,000	195,626	197,132
Km Council roads (sealed and unsealed)	2,475	2,526	2,620	2,654	2,734	2,796
Number of refuse services provided	*	160,000	166,000	167,070	172,645	180,757
Tonnes of waste recycled	*	50,538	61,385	57,205	79,827	65,372
Level of Hinze Dam (as at 30 June each year)	67.08%	103.39%	98.15%	92.82%	49.75%	52.64%

* Not Available

** Figures reflect Final Estimated Resident Population for the years ended 30 June 1996 to 2001 and Preliminary Estimated Resident Population for the year ended 30 June 2002, Gold Coast City Statistical Local Areas (2002 boundaries) (Source: Australian Bureau of Statistics). Although the Census was conducted in 2001, the estimated data has been adjusted as at 3 April 2003 for the years since the last Census i.e. 1996.

*** Calculated by applying the annual growth rate estimate for 1997-2002 of 3.46% to the 2001-2002 estimated resident population figure.

**** Water consumption figures include water passing through meters at customer boundaries only.

Gold Coast City - our history, our home, our future



Our history

The first inhabitants of what is now the Gold Coast region were the Kombumerri people, whose lineage stretched back perhaps thousands of years.

Their lives were to change irreversibly from March, 1823, when the first Europeans were shipwrecked in Moreton Bay. By November that year the area was being explored for a possible penal settlement. Barely 10 years later timber cutters had already pushed south of the Brisbane River, opening the land that was to become the Gold Coast.

The region increasingly attracted holidaymakers from Brisbane, housed in tent villages beside beaches at what are now Main Beach, Surfers Paradise, Burleigh Heads, Currumbin and Coolangatta. These place names were to serve the communities in the south-east corner of Queensland until the late 1940's when a land boom caused Brisbane newspapers to talk of 'golden' opportunities in real estate.

In 1949 the town of South Coast was established with the amalgamation of Southport and Coolangatta Councils. Albert Shire was created at the same time. Nevertheless, the image of golden sands and golden opportunities remained in the public consciousness — the word 'gold' began to stick.

However, it was not until 1958 that South Coast Town Council formalised the notion with the adoption of the name: Town of Gold Coast. A year later the Queensland Government set it in stone by proclaiming the name that has now served the region for nearly 50 years: City of Gold Coast.

The region grew at an astonishing rate that continues to the present day, making it one of the fastest growing local governments in Australia. As a result in 1995, following an electoral boundaries review, Shire of Albert and City of Gold Coast were amalgamated, creating a new and expanded City of Gold Coast.

The City flourished in its early years, as it continues to do now, because of its climate and its environment. This has made Gold Coast Australia's leading tourism destination and a favourite place to live. These perceptions have created a booming tourism, housing and development industry.

Our home

People are migrating to Gold Coast from other areas of Australia at a rate never seen before. In the five years to 2002, almost 69,000 people moved here — an annual growth of 3.46 percent, compared to the rate for Australia of 1.2 percent, and for Queensland of 1.8 percent.

The City's population now stands at more than 440,000, making it the sixth largest city in Australia.

Many people from around the world choose to call Australia home, some for a short while, but many decide to stay. At the 2001 census, 24.5 percent or almost 100,000 Gold Coast residents were born overseas.

Traditionally the City's greatest attractions have been its subtropical climate — about 290 sunny days annually, average summer temperature from 19 to 29 degrees and winter temperatures from 9 to 21 degrees — and its picturesque location, including rural hinterland areas dense with sub-tropical vegetation and more than 57km of beaches from South Stradbroke Island to the north and Rainbow Bay to the south.

The continued growth of the City's tourism and development industries is now being balanced by Council's development of the region as *Innovation City*. This title describes the creation of eight industry sectors that are driving Gold Coast's continued growth: creative industries; education and training; environment; food; health and medical; information and communications technology; marine; and sport.

The rise in Gold Coast's economic fortunes is being matched by strategic management of its social framework, with a comprehensive network of recreational and community facilities.

Our future

Gold Coast is poised for unprecedented growth. In the next 20 years its population is expected to be approaching 750,000. Gold Coast City Council's policies and strategies seek to cater successfully for the needs of our diverse and growing community at this crucial time.

Council's social, housing, infrastructure and transport strategies aim to prioritise important services for our City. Initiatives for community relations, crime prevention, youth, aged and disabled residents are helping to make our City an even better place to live.

Environmental strategies for nature conservation, bushfire management, beaches, foreshores and climate protection and the future of urban water use are paving a new direction to protect our valuable natural assets.

As Gold Coast embarks in earnest on its journey through the 21st century it is well-placed to continue its progress as a leading economic and social force and the home of choice for growing numbers of Australians and international migrants.



Above: Images of Gold Coast as it was

Surfers Paradise present day, night markets along the Esplanade



Customer service counter - Nerang Administration Centre



Council's identity

Gold Coast City Council remains the second largest local government in Australia based on the City's estimated resident population, with 2838 staff (2615 full time equivalents) employed during 2002-2003.

Our vision

Naturally, the world's best place to be ...

...because we will create a city that is recognised internationally for the quality, diversity and sustainability of its lifestyle, economy and environment. The Gold Coast's future will be secure as Australia's most desirable place to live and favourite place to visit.

Our mission

To benefit our local community by sustainably managing the City's resources and opportunities, and by delivering high-quality, affordable services, in partnership with the community, State and Federal Governments, educational institutions and the private sector.

Our values

As the Gold Coast City Council's councillors and staff work to achieve the goals set out in its Corporate Plan, our strategic directions and day-to-day activities are guided by the following values:

- Customer service
- Respect for others
- Responsiveness and accountability to the community
- Commitment to ecologically sustainable development
- Honesty and fairness
- Equity and access
- Open communication
- Cooperation and understanding
- Economy and efficiency
- Excellence, innovation and leadership
- Recognition of the skills and commitment of others.

Our commitment to ecologically sustainable development is based on the principles set out in the National Strategy for Ecologically Sustainable Development.

Our objectives

Gold Coast City Council will achieve the best outcomes for the Gold Coast community by pursuing strategies that directly benefit the community and by delivering the expert administration and management that will achieve these benefits.

Council's performance is assessed in this report against Council's key objectives - four City and ten Corporate Objectives, in the Corporate Plan 1998-2003. This assessment of Council's performance can be found on pages 34 to 63 of this report.

Mayor's report



I have great pleasure introducing this Annual Report for 2002-2003, a year that has been characterised by continuing rapid population growth and the introduction of important Council initiatives.

Gold Coast has experienced exceptionally strong residential and commercial growth over the past year, with the housing boom resulting in a surge in

property values and a sharp increase in development activity throughout the City, from Beenleigh to Coolangatta.

Careful planning is crucial to the effective management of this growth. It provides a framework for appropriate and responsible development, and ultimately, ensures that the City retains its quality of life advantages and accommodates continuing population growth.

New Gold Coast Planning Scheme

Guiding the City's growth and development into the future is Council's new Gold Coast Planning Scheme, which came into operation on 18 August 2003. Many years in the making, this blueprint for the evolution of 'Our Living City' addresses the broad scope of planning issues, including the obligation for Council to strike a balance between the demand for new residential land stocks, driven by our rapidly expanding population, and the need to preserve the visual and environmental amenities of our region.

New Corporate Plan

The new Corporate Plan for 2003-2007 embodies a broad approach to democratic governance that is designed to deliver the outcomes the community most values. A range of consultative processes has ensured the wishes of residents are strongly represented in the priorities stated in the plan.

Our Corporate Plan focuses on Council's mission to benefit our local community by responsibly managing the City's resources and opportunities, and by delivering high quality, affordable services in partnership with the community, Queensland and federal governments, educational institutions and the private sector.

Economic development

Gold Coast City Council's Economic Development Strategy demonstrates a continuing commitment to the growth and diversification of our robust regional economy. Jobs are at the heart of all Council initiatives to promote economic growth because it is the collective strength and vigour of our business sector that determines the City's current and future employment opportunities and has flow-on implications for the wellbeing of residents. While recognising the vital importance to the City of a buoyant tourism industry, which undoubtedly will remain our principal economic driver for many years to come, it is increasingly being complemented by other key industry sectors identified in Gold Coast City's signature economic development project, the Pacific Innovation Corridor.

These sectors embrace a diverse range of activities from information and communications technology, film and interactive media to medicine, education, biotechnology and leisure.

Strategies that have been put in place in recent years have cemented our City's reputation as a serious place to do business and we now have a substantial, vigorous and fast-growing business sector that Council, through its International Business Development Program, is successfully promoting at a global level.

Gold Coast's water

At the time of writing, Council and Gold Coast residents are continuing to work together to meet the challenges imposed by the drought. By far the longest in the City's history, this drought has changed forever the way we view this most precious of all resources. It has proved that we must have more than one major source for our water supply to ensure the needs of the City and the environment are met sustainably, now and into the future. The final decision on an additional source of bulk water supply for Gold Coast rests with the Queensland Government, which holds ultimate responsibility for water resource planning. At the time of writing, negotiations were continuing.

Appointment of new Chief Executive Officer

Among the significant changes that occurred during the year was the retirement of former GCCC Chief Executive Officer, Paul Stevens, who won widespread respect for his five and a half years stewardship of the City. Council and Gold Coast now are being equally well served by the former Director of City Governance, Dale Dickson, who took the reins as CEO on July 4, 2003. Dale has the good wishes and support of all at Council in his new role.

Looking forward

This Annual Report demonstrates Council's commitment to meeting the challenges of the new century, to protecting and enhancing the biodiversity and natural beauty of our region, to exploiting our ideal geographic location on the edge of the Asia Pacific rim, and to driving our emergence as a force, particularly in the high-tech, information and knowledge industries.

I look forward to continuing collaborative efforts with all sectors of the community as we work towards the shared goal of creating an even better Gold Coast for ourselves, our families and future generations.

My thanks go to the many community representatives who have served on committees and consultative bodies, to councillors and Gold Coast City Council officers and staff, all of whom have worked with energy and commitment towards achieving our vision of making this City... *Naturally, the world's best place to be.*

A handwritten signature in black ink, reading "Gary J. Baidon". The signature is written in a cursive, flowing style.

Gary J Baidon
Mayor

Chief Executive Officer's report



Well, another year has passed and it, more than many previous years, seems to have flown by much quicker. Whether it is because I am getting older, or the fact that this will be my last Annual Report as CEO, I am unsure.

The Council, the organisation and the City itself have much to be proud of. The year in review has seen us achieve many things in

the areas of governance, customer service and the level of infrastructure we provide to our customers.

Protecting our natural gift

One of the major areas of which I am most proud is the continuing development of the Open Space Preservation Levy Acquisition Program. The program began in its current form in 1999 and since then Council, with the community, has bought more than 2350 hectares of the City's most ecologically significant lands for about \$20 million.

The past year saw the conclusion of Phase 1 of the program with three acquisitions costing just over \$1 million. This added about 180 hectares to the City's conservation areas. These acquisitions have built on and consolidated existing areas of bushland reserve in the City, which has maximised the effect of the purchases in protecting the City's natural assets.

This land will be protected and managed as conservation areas and will constitute a lasting natural legacy from today's ratepayers to future generations. At the time of writing this report, information resources were being prepared for the City's ratepayers and residents to communicate the achievements of the program using the term 'Our Natural Gift' to convey the intergenerational aspects of the program. It is a theme I believe captures the importance of this program to the City's future.

Serving our community

Once again there has been great emphasis on customer service, community consultation and communication.

Resulting from these themes has been the formulation, development and adoption of Council's new Corporate Plan 2003-2007, effective from 1 July 2003, and the new Gold Coast Planning Scheme 'Our Living City', which becomes operational as of 18 August 2003. These major documents form the roadmap for the Gold Coast's future — a future we can all look forward to with great anticipation.

Thank you

To Mayor Gary Baidon, councillors and staff may I take this opportunity to thank you for your contributions not only to the year under review, but also to me over the last five years in my role as CEO of this magnificent organisation. May I also take this opportunity to congratulate my successor, Dale Dickson, Director City Governance, on his appointment as CEO, effective 4 July 2003.

I wish you all the greatest success in the years to come.

A handwritten signature in black ink, appearing to read 'Paul Stevens', written in a cursive style.

Paul Stevens
Chief Executive Officer

City key performance indicators

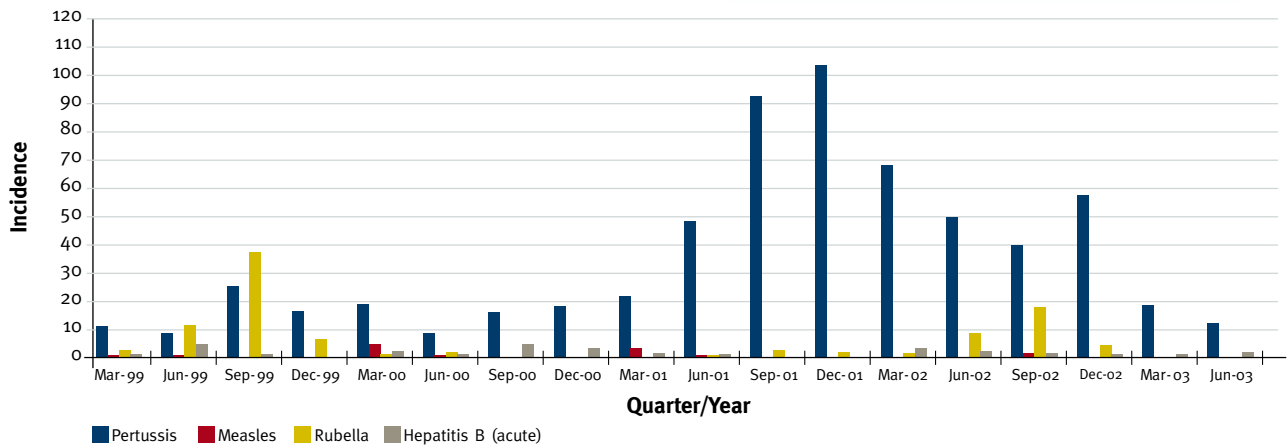
The following key performance indicators demonstrate Council's performance in achieving its overarching four City Objectives as set in its Corporate Plan 1998-2003. A more detailed assessment of Council's performance in implementing its corporate and operational plans can be found at pages 34 to 63 of this report.



Council's Immunisation Service administering vaccines to the community

1. QUALITY OF LIFE

Incidence of vaccine preventable diseases by type



Analysis:

In the latter part of 2002-2003, the reported incidence of pertussis (whooping cough) decreased to within normal rates. This followed what had been described as an epidemic in the summer of 2001-2002. However, at 30 June 2003 the infection remained in the top 10 notified conditions at Queensland Health.

There was one case of measles reported for Gold Coast for the year. Measles is now rare in Australia although imported cases may spread infection to susceptible people, including people who conscientiously object to being vaccinated.

The incidence of rubella had increased for Gold Coast in 2002, with 20 cases reported during the period July - December 2002. This has now decreased to within normal rates with no cases reported for the period January-June 2003.

Notifications of hepatitis B (acute) (i.e. exclusive of chronic or unspecified hepatitis B) remained stable through 2002-2003 with six cases reported.

Queensland Childhood Vaccination Schedule vaccines are provided free by Queensland Health's Communicable Diseases Centre to the Gold Coast City Council Immunisation Service. The service administers these vaccines free at Council's monthly clinics to people aged two months to 19 years.

It is important to note that although reported diseases may have been contracted outside of the City, i.e. interstate and overseas, the notification is attributed to the area of actual diagnosis — in this case, Gold Coast. Gold Coast Public Health Unit (Queensland Health) has supplied the statistics used.

Number of street offences captured by safety camera network

Year	No. of cameras	No. of offences	No. of arrests
1999-2000	16	1,188	399
2000-2001	31	888	335
2001-2002	41	1,702	592
2002-2003	44	1,885	716

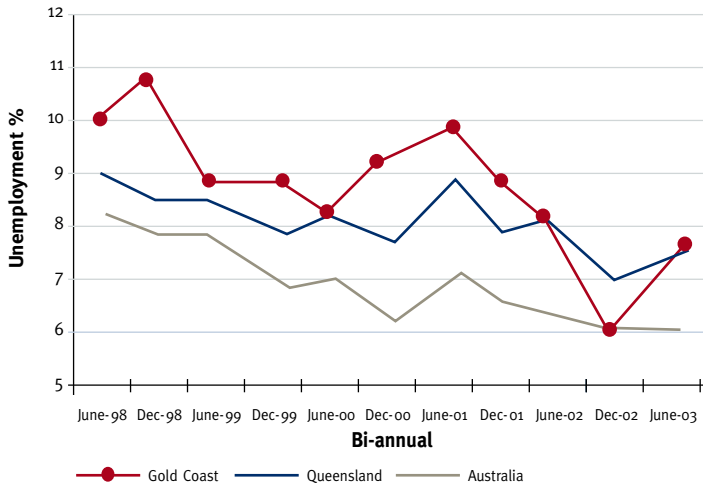
Analysis:

Council's safety camera network started operations in 1999 with 16 cameras monitoring Surfers Paradise. The network has been expanded to include Broadbeach, Coolangatta and Southport and now comprises 44 cameras. The addition of three cameras during the year has extended coverage to include the redeveloped areas along the Surfers Paradise Boulevard.

The network enhances public safety and operates in close cooperation with the Queensland Police Service, which has found the network a valuable adjunct to its policing strategies. It has helped improve police response times, reduce undesirable behaviour, enhance personal safety and provide supporting evidence after arrests are made. A moderate increase in the number of incidents detected this past year reflects increased efficiencies and enhanced monitoring regimes. The additional cameras are also likely to favourably impact on these statistics.

2. HEALTHY ECONOMY

Gold Coast unemployment compared to Queensland and Australia¹



¹Source: ABS, Labour Force Survey, PCAUSSTATS.
Monthly data has been averaged on a biannual basis, Jan-Jun, Jul-Dec.

Analysis:

The Australian Bureau of Statistics (ABS) Labour Force Survey (monthly) indicates that generally Gold Coast City exhibits unemployment rates consistently above the Queensland and national averages and is typically between 9 percent and 10 percent. Factors that contribute to the higher unemployment rate for regions such as Gold Coast include:

- the rate of population growth, which may be faster than the growth of available positions. Gold Coast has a high rate of interstate migration with 14,000–15,000 people moving to the City annually; and
- the large proportion of aged and retired persons living within the City. About 18.3 percent of the Gold Coast population is more than 60 years old compared to 16.8 percent for Australia.

Other factors that have some bearing on economic activity in Australia are the levels of construction and retail activity.

During October-December 2002 the average unemployment rates for Gold Coast, Queensland and Australia all declined. Of particular note was the dramatic decline of Gold Coast's unemployment rate, which dropped to 4.5 percent in October 2002, below the rates for Queensland and Australia of 6.31 percent and 6 percent respectively for that month.

3. ENVIRONMENTAL SUSTAINABILITY

Estimated waste generation per capita (excluding recyclables) within the City

Month	2000-2001 (kg/capita)	2001-2002 (kg/capita)	2002-2003 (kg/capita)
July	60.9	59.3	62.2
August	67.2	63.8	59.4
September	70.0	63.3	64.6
October	80.7	74.2	70.8
November	79.6	72.7	77.1
December	78.7	70.9	74.8
January	79.7	71.9	64.1
February	66.7	64.8	60.0
March	68.7	62.6	69.9
April	75.7	67.5	66.9
May	65.3	73.5	73.1
June	64.5	58.9	71.7
Year's Total	857.7	803.4	814.6
Average/month	71.5	67.0	67.9

City key performance indicators

Analysis:

For regions such as Gold Coast the rate of waste generated per person varies due to seasonal factors including tourism-related population increases. Heavier rates are predicted during the summer months because the tourism factor inflates the figure for permanent residents.

The annualised average rate per capita for 2002-2003 has remained lower than the rate reported two years previously (2000-2001) by approximately 5 percent. However, in comparison to 2001-2002 there has been a slight increase of 1.4 percent. This may have been caused by the surge in domestic renovation, demolition and building activities that occurred in Gold Coast in the 12 months.

Community awareness has helped control waste generation for Gold Coast. To support this Council has continued its community education program Wipe Out Waste (WOW). Officially launched in May 2000, the program includes a mobile waste education trailer, a schools lesson program, website pages, special events and school challenges. These deliver information to students and promote reduction and responsible management of waste. The program was a finalist in the Environmental Leadership in Communications category in Australia's leading environmental awards - the Banksia Environmental Awards in May 2003.

To find out more about the operations of Council's Gold Coast Waste Management business unit, refer to pages 75 to 78 of this report.

4. NATIONAL AND INTERNATIONAL PROFILE

Visitation from selected long haul destinations

Long haul destination	September 2002		December 2002		March 2003	
	To Gold Coast	To Australia	To Gold Coast	To Australia	To Gold Coast	To Australia
USA	-15.4%	-2.6%	29.1%	12.9%	-63.3%	-6.4%
UK	38.4%	-4.8%	22.5%	10.7%	-9.1%	-3.5%
Europe	-14.8%	-8.1%	-36.5%	2.3%	24.7%	0.7%

Analysis:

This information is sourced from the Bureau of Tourism Research International Survey. The most recent statistics available are for the quarter ending March 2003. The percentages noted in the table represent changes over the same quarters from the previous year. The March figures indicate that Gold Coast and Australia have experienced an overall notable decrease in international visitors and that the war in Iraq and SARS have been major impediments to travel. Although European visitors increased by 24.7 percent, the inbound markets to Gold Coast from the long-haul markets of USA and UK were down 63.3 percent and 9.1 percent respectively.



Highlights for the year in review

Individual wellbeing	Coolangatta/Tweed Heads Crime Prevention Plan developed New Speed Awareness Trailer purchased for and to be operated by the community Draft Housing Strategy developed
Customer and community focus	Draft Youth Policy and Strategy developed New library management system provides up-to-date information retrieval system Local action plan for sustainability integrated within the Corporate Plan 2003-2007
Community development	Stage one of a whole-of-city Social Plan completed Eagleby Community Renewal Program underway Regional Arts Development funding secured for the next three years
Well-managed city	Study into the feasibility of a light rail system for Gold Coast continued Bikeways network continued to be implemented across the City Budget for roads reduced through best-practice maintenance system
Prosperity	Planning study for a new northern access road for the Gold Coast Marine Precinct completed Plan for the future development of the Gold Cast Surf Industry developed Council contributed to South Coast Biotechnology Education Project
Quality natural environment	Revised South Stradbroke Island Management Plan implementation commenced Gold Coast Water's Environmental Management System recertified \$2 million spent on rehabilitating Carrara catchment
Quality built environment	New Gold Coast Planning Scheme – 'Our Living City', adopted Ambitious Centre Improvement Program continued to enhance suburban centres and main streets Implementation of Urban Design Strategy for better design solutions commenced
Tourism and events	Council's first tourism strategy 'Our Tourism City' adopted in December 2002 \$2.6 million funding provided to the Gold Coast Tourism Bureau \$100,000 funding provided to the Cooperative Research Centre for Sustainable Tourism, Griffith University
Business and investment	Information Communications Technology Industry CD launched Council representatives travelled to Canberra to meet Federal Government Ministers and senior government officials
International relations	Assistant International Relations Officer appointed to work at Takasu City Council, Japan The Mayor led a trade mission to Sister City Noumea, New Caledonia in October 2002 Council lifeguards continued to learn overseas from ongoing exchange program

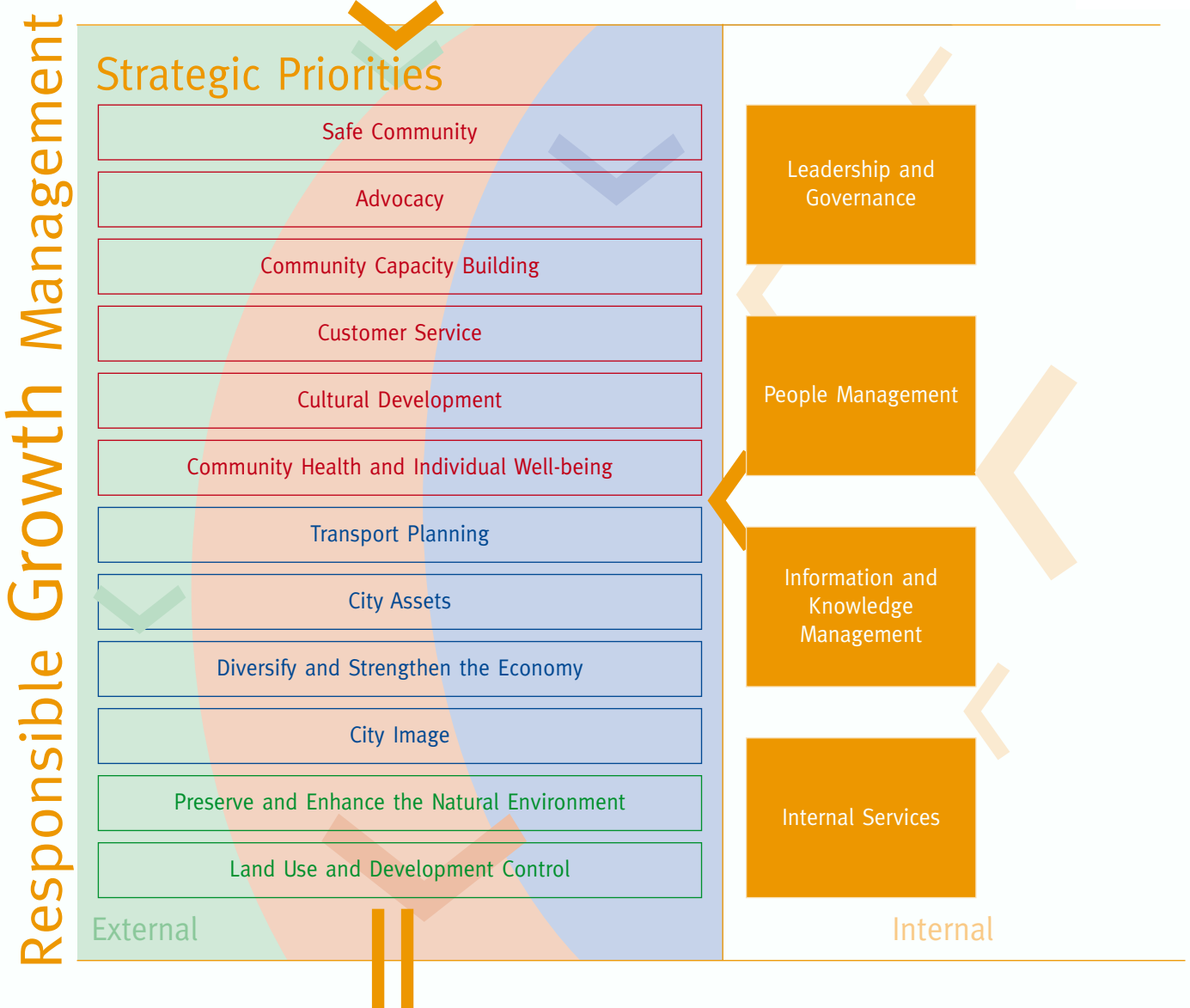
A detailed assessment of Council's performance in implementing its corporate and operational plans is found at pages 34 to 63 of this report.

A new plan for the future - looking forward to 2003-2004

As Mayor Baildon alluded to on page 8 of this report, the Corporate Plan 2003-2007, is the guiding document for Council's activities over the next four years. It will be the basis for the structure of corporate and operational plan reporting from 2003-2004 and for that year's Annual Report.

The plan sets out 16 external and internal strategic priorities. The 12 external strategic priorities seek to articulate, for the life of the plan, the Council's stated commitment to promoting a more sustainable city within the three sustainability themes of community, economy and environment and thus represent the refocusing of Council's Local Agenda 21 (an action plan for sustainability) over the next four years. The 12 external strategic priorities shall be supported by four internal strategic priorities that serve to ensure the Council organisation has the capacity, and is properly aligned, to deliver on its external strategic priorities.

CORPORATE PLAN 2003 - 2007 Summary



A Sustainable Community, Economy and Environment



Corporate governance

The Commonwealth Auditor-General has adopted the following definition for governance:

Governance is directed at achieving organisational goals and objectives. Good governance of an organisation therefore is the mechanism through which it can enhance its performance by moving beyond compliance to focus on the reliable achievement of its objectives.

COUNCIL AND COUNCILLORS – ENSURING GOOD RULE AND GOVERNMENT

The *Local Government Act 1993* establishes the basis for Council's operations. It provides jurisdiction for each local government to make laws for, and otherwise ensure, the good rule and government of its area.

Council is bound to act within a broad legislative framework. The most prominent laws governing Council's operations are the *Local Government Act 1993*, *Environmental Protection Act 1994*, *Integrated Planning Act 1997*, *Queensland Competition Authority Act 1997* and the *Trade Practices Act 1974*.

To ensure this 'good rule and government' the role of individual councillors includes:

- representing the overall public interest of the area and also the public interest of their division;
- taking part in deciding the facilities, services and enterprises appropriate for an area;
- taking part in formulating, adopting and reviewing the local government's corporate and operational plans, and the policies and goals of the local government; and
- taking part in making decisions for achieving the goals and implementing the policies of the local government.

The mayor has the additional roles of:

- presiding at and being responsible for the orderly conduct of meetings of the local government at which the mayor is present;
- ensuring the execution of the local government's decisions;
- exercising the powers and performing the duties given to the mayor by the local government;
- ensuring the appropriate representation of the local government at civic or ceremonial functions; and
- in performing this role, the mayor may identify to the chief executive officer of the local government, the officer's duty in carrying out policies and decisions of the local government.

Councillor information

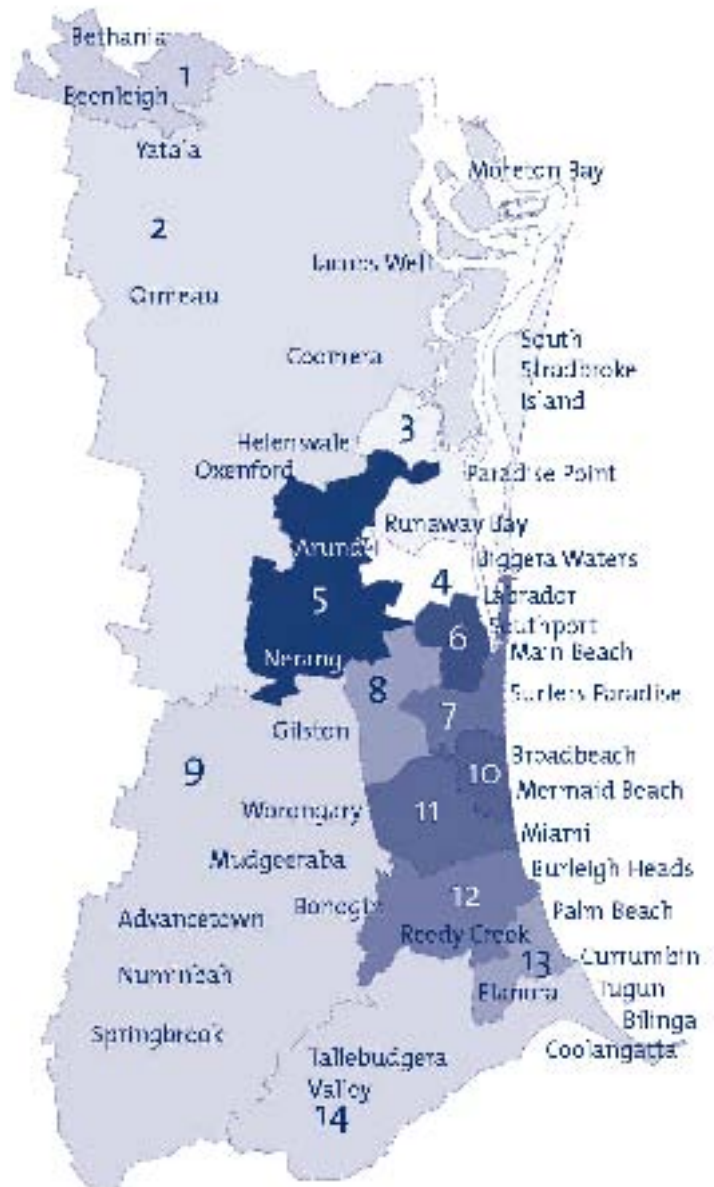
The Gold Coast local government area is divided into 14 divisions with one councillor elected to represent each division. All voters within the City elect the mayor. The next local government election is scheduled for 27 March 2004.

As the closest form of government to the community, the City's councillors are representative of the demographic profile of the City. Individually they each have strengths, which when combined as the Council, give perspective to the decisions the Council must make on behalf of the community it represents.



Council meeting in session

Map showing electoral divisions of Gold Coast City





CR GARY BAILDON – MAYOR

Cr Gary Baildon is serving his second term as Mayor of Gold Coast City. He served as a councillor with the former Gold Coast City Council from 1988 to 1994 and as mayor from 1994 to 1995. He was elected as mayor of the post-amalgamation Gold Coast City Council in 1997. The following is a list of some of the committees and/or organisations Cr Baildon is involved with in addition to Council Standing Committees:

- Planning Scheme Review Advisory Committee
- Regional and Economic Development Advisory Committee
- Surfers Paradise ‘Heart of the City’ Advisory Committee
- Coolangatta Airport Regional Advisory Committee
- Gold Coast Disaster Relief Fund
- Gold Coast Show Society (President)
- Gold Coast Hospital Foundation (Acting Chairperson)
- Gold Coast Community Foundation (Chairperson)

Tel: (07) 5582 8203 **Fax:** (07) 5596 3659 **E-mail:** mayor@goldcoast.qld.gov.au



CR RAY HACKWOOD – DIVISION 1

Cr Ray Hackwood represents Division 1, which includes the suburbs of Beenleigh, Bethania, Edens Landing, Waterford, Holmview, Eagleby and Mt Warren Park (part). Cr Hackwood has represented Division 1 since 2000, having previously served as a councillor with Gold Coast City Council from 1995 to 1997 and with the former Albert Shire Council from 1991 to 1995. The following is a list of some of the committees and/or organisations Cr Hackwood is involved with in addition to Council Standing Committees:

- Beenleigh Development Advisory Committee
- Change Implementation Review Advisory Committee (alternate representative)
- Yatala Infrastructure Planning Advisory Committee
- Logan and Albert Rivers Management Coordinating Committee
- Regional Roads Group (SEQROC)
- Eagleby Wetlands Working Group
- Eagleby Community Renewal Program
- Beenleigh Bowls Club Management Committee

Tel: (07) 5581 5270 **Fax:** (07) 5581 6780 **E-mail:** rhackwood@goldcoast.qld.gov.au



CR DAVID POWER – DIVISION 2

Cr David Power represents Division 2, which includes the suburbs and surrounding areas of Mt Warren Park (part), Bahrs Scrub, Windaroo, Wolffdene, Yatala, Ormeau, Alberton, Stapylton, Woongoolba, Jacobs Well, the Jumpinpin Islands and islands on the west side of the Broadwater, Pimpama, Coomera, Willowvale, Wongawallan, Upper Coomera, Guanaba, Mt Nathan, Helensvale (part), Oxenford (part), Maudsland (part) and Clagiraba (part). Cr Power has represented Division 2 since 1995, having previously served as a councillor with the former Albert Shire Council from 1991 to 1995. The following is a list of some of the committees and/or organisations Cr Power is involved with in addition to Council Standing Committees:

- Planning Scheme Review Advisory Committee (Chairperson)
- Regional and Economic Development Advisory Committee
- Coomera Town Centre Local Area Plan Committee
- Australian Institute of Management (Associate Fellow)
- Oxenford/Coomera Youth Centre (Board Member)
- Nerang Chamber of Commerce (Honorary Member)
- Senior Officers’ Remuneration Advisory Committee
- Urban Land Institute (International Member)

Tel: (07) 5582 8227 **Fax:** (07) 5582 8263 **E-mail:** dpower@goldcoast.qld.gov.au



CR ALAN RICKARD (DEPUTY MAYOR) – DIVISION 3

Cr Alan Rickard represents Division 3, which includes the suburbs of Hope Island, Sanctuary Cove, Santa Barbara, Sovereign Island, (South) Stradbroke Island, Coombabah, Paradise Point, Hollywell and Runaway Bay (part). Cr Rickard has served as a councillor with Gold Coast City Council since 1988. The following is a list of some of the committees and/or organisations Cr Rickard is involved with in addition to Council Standing Committees:

- Regional and Economic Development Advisory Committee (Chairperson)
- Audit Committee
- Griffith University Advisory Council
- Surfers Paradise 'Heart of the City' Advisory Committee
- Gold Coast Port Authority Task Force (REDAC Working Group)
- City Image and Infrastructure Funding Strategy Steering Committee
- Runaway Bay Rotary
- A B Paterson College (Chairperson)

Tel: (07) 5581 6414 **Fax:** (07) 5581 6780 **E-mail:** mgreaves@goldcoast.qld.gov.au



CR MARGARET GRUMMITT – DIVISION 4

Cr Margaret Grummitt represents Division 4, which includes the suburbs of Runaway Bay (part), Arundel, Biggera Waters, Labrador (part) and Parkwood (part). Cr Grummitt has represented Division 4 since 2000. The following is a list of some of the committees and/or organisations Cr Grummitt is involved with in addition to Council Standing Committees:

- Australian Local Government Women's Association Queensland Division (Delegate)
- Gold Coast Tropicarnival Limited (Gold Coast Eisteddfod) (Director)
- Crimestoppers South Eastern Region
- Runaway Bay 7 Neighbourhood Watch
- Labrador/Biggera Waters Community Progress Association
- Biggera Waters Care Group
- Parkwood Rotary

Tel: (07) 5581 6434 **Fax:** (07) 5581 6780 **E-mail:** kdonges@goldcoast.qld.gov.au



CR PETER YOUNG – DIVISION 5

Cr Peter Young represents Division 5, which includes the suburbs of Helensvale (part), Monterey Keys (part), Oyster Cove, Oxenford (part), Studio Village, Gaven Heights, Pacific Pines, Gaven, Arundel Crest, Parkwood (part), Ernest (part) and Nerang (part). Cr Young has represented Division 5 since 2000. The following is a list of some of the committees and/or organisations Cr Young is involved with in addition to Council Standing Committees:

- Coombabah Water Futures Advisory Committee (Chairperson)
- Environment Advisory Committee (Chairperson)
- Environmental Industries Working Group (Chairperson)
- Nerang Development Advisory Committee (Chairperson)
- Glossy Black Cockatoo Branch Wildlife Preservation Society of Queensland
- Gold Coast Region Environment Industries Association
- National Local Leaders In Sustainability Forum
- Numinbah/Nerang Forest Tenure Working Group

Tel: (07) 5582 8400 **Fax:** (07) 5582 8478 **E-mail:** pyoung@goldcoast.qld.gov.au



CR DAWN CRICHLAW – DIVISION 6

Cr Dawn Crichlow represents Division 6, which encompasses the suburb of Southport. Cr Crichlow has served as a councillor for Gold Coast City Council since 1991. The following is a list of some of the committees and/or organisations Cr Crichlow is involved with in addition to Council Standing Committees:

- Planning Scheme Review Advisory Committee
- International Relations Advisory Committee (Chairperson)
- Gold Coast Arts Centre Board
- Rotary Youth Centre Management Committee
- Gold Coast Sporting Hall of Fame Committee
- Citizens Advice Bureau (President)
- Loders Creek Catchment Management Committee
- Southport Community Consultative Committee

Tel: (07) 5581 6280 **Fax:** (07) 5581 6899 **E-mail:** gbrown@goldcoast.qld.gov.au



CR MAX CHRISTMAS – DIVISION 7

Cr Max Christmas represents Division 7, which includes the suburbs of Surfers Paradise, Main Beach, Chevron Island, Isle of Capri, Bundall, Sorrento and Benowa. Cr Christmas has represented Division 7 since July 2001. The following is a list of some of the committees and/or organisations Cr Christmas is involved with in addition to Council Standing Committees:

- Surfers Paradise 'Heart of the City' Advisory Committee
- Surfers Paradise Management Association Monitoring Committee (Chairperson)
- Shark Control Program Community Liaison Group
- Senior Officers' Remuneration Advisory Committee
- Gold Coast Arts Centre Board
- International Relations Advisory Committee
- Contiguous Local Authorities Group (Elected Representative)
- Surfers Paradise Surf Life Saving Club (Honorary Member and Past President)

Tel: (07) 5581 6760 **Fax:** (07) 5581 6780 **E-mail:** pmckinnon@goldcoast.qld.gov.au



CR ROBERT (BOB) LA CASTRA – DIVISION 8

Cr Bob La Castra represents Division 8, which includes the suburbs of Molendinar, Ashmore, Carrara, and Nerang (part). Cr La Castra has represented Division 8 since 1997. The following is a list of some of the committees and/or organisations Cr La Castra is involved with in addition to Council Standing Committees:

- Nerang Development Advisory Committee
- Gold Coast City Council Events Advisory Committee (Chairperson)
- Beach Surf and Safety Advisory Committee (Chairperson)
- Ashmore Police Citizens Youth Club (Committee Member)
- Annual Fundraising Committee, Sexual Assault Support Service (Member)
- Regional and Economic Development Advisory Committee
- Silver Bridle/Molendinar Interagency Committee (Chairperson)
- Sport Business Taskforce (Chairperson)

Tel: (07) 5582 8206 **Fax:** (07) 5596 6010 **E-mail:** gporter@goldcoast.qld.gov.au



CR TED SHEPHERD – DIVISION 9

Cr Ted Shepherd represents Division 9, which includes the suburbs of Nerang (part), Clagiraba (part), Gilston, Worongary, Highland Park, Beechmont, Lower Beechmont, Advancetown, Tallai, Neranwood, Numinbah Valley, Natural Bridge, Springbrook and Mudgeeraba (part – including Bonogin, Austinville and Mt Nimmel). Cr Shepherd has represented Division 9 since 2000. The following is a list of some of the committees and/or organisations Cr Shepherd is involved with in addition to Council Standing Committees:

- Gold Coast Tourism Bureau (Director)
- Springbrook Settlement Management Committee
- Hinze Dam Fish Management Advisory Committee
- Springbrook Chamber of Commerce
- Bonogin Rural Fire Brigade
- Mudgeeraba Show Society
- Nerang Police Citizens Youth Club
- Cultural Development Advisory Committee

Tel: (07) 5582 8876 **Fax:** (07) 5596 6010 **E-mail:** eshepherd@goldcoast.qld.gov.au



CR EDDY SARROFF – DIVISION 10

Cr Eddy Sarroff represents Division 10, which includes the suburbs of Broadbeach, Broadbeach Waters, Mermaid Beach, Mermaid Waters and Nobby Beach. Cr Sarroff has served as a councillor with Gold Coast City Council since 1995. The following is a list of some of the committees and/or organisations Cr Sarroff is involved with in addition to Council Standing Committees:

- Audit Committee (Chairperson)
- Planning Scheme Review Advisory Committee
- Property Industry Advisory Committee
- Senior Officers' Remuneration Advisory Committee
- Crimestoppers South Eastern Region
- Broadbeach Surf Life Saving Club (Honorary Vice President)
- Lions Clubs - Broadbeach and Mermaid Beach
- Broadbeach Management Association Limited

Tel: (07) 5581 6171 **Fax:** (07) 5581 6780 **E-mail:** roatridge@goldcoast.qld.gov.au



CR JAN GREW – DIVISION 11

Cr Jan Grew represents Division 11, which includes the suburbs of Robina, Clear Island Waters, Merrimac, Miami, Mermaid Waters (part), Burleigh Waters (part) and Varsity Lakes. Cr Grew has represented Division 11 since 1995, having previously served as a councillor with the former Albert Shire Council from 1994 to 1995. The following is a list of some of the committees and/or organisations Cr Grew is involved with in addition to Council Standing Committees:

- Gold Coast Film Industry Advisory Committee (Chairperson)
- Contiguous Local Authorities Group (Alternate Chairperson)
- Gold Coast Cultural Development Model Reference Group (Chairperson)
- Gold Coast Tourism Bureau (Director)
- Gold Coast Tropicarnival Limited (Gold Coast Eisteddfod) (Director)
- Community Safety Executive Committee (Deputy Chairperson)
- Robina Red Cross
- Robina Chamber of Commerce

Tel: (07) 5582 8255 **Fax:** (07) 5582 8240 **E-mail:** jgrew@goldcoast.qld.gov.au



CR PETER DRAKE – DIVISION 12

Cr Peter Drake represents Division 12, which includes the suburbs of Burleigh Heads, Reedy Creek, Varsity Lakes, Burleigh Waters, and Bonogin (part). Cr Drake has represented Division 12 since 2000. The following is a list of some of the committees and/or organisations Cr Drake is involved with in addition to Council Standing Committees:

- Crimestoppers South East Region
- Gold Coast Shark Meshing Advisory Committee
- Environmental Advisory Committee
- Gold Coast City Council Events Advisory Committee
- Urban Design Advisory Committee
- Beach, Surf and Safety Committee
- Regional and Economic Development Advisory Committee
- Gold Coast Catchment Association Management Committee

Tel: (07) 5581 6382 **Fax:** (07) 5581 7640 **E-mail:** mmurdoch@goldcoast.qld.gov.au



CR DAPHNE MCDONALD – DIVISION 13

Cr Daphne McDonald represents Division 13, which includes the suburbs of Palm Beach, Elanora and Tallebudgera (part). Cr McDonald has been a councillor with Gold Coast City Council since 1991. The following is a list of some of the committees and/or organisations Cr McDonald is involved with in addition to Council Standing Committees:

- Pimpama-Coomera Water Futures Advisory Committee (Chairperson)
- Audit Committee
- Queensland Beach Protection Authority
- South East Queensland Regional Water Quality Management Committee
- Urban Local Government Association of Queensland
- Australian Local Government Women's Association - Queensland Division (Treasurer)
- Local Government Association of Queensland (alternate representative)
- Gold Coast Committee on the Ageing (COTA) (Past President)

Tel: (07) 5581 6228 **Fax:** (07) 5581 6547 **E-mail:** bpiggins@goldcoast.qld.gov.au



CR SUE ROBBINS – DIVISION 14

Cr Sue Robbins represents Division 14, which includes the suburbs of Tallebudgera (part), Tallebudgera Valley, Currumbin Valley, Currumbin Waters, Currumbin, Tugun Heights, Tugun, Bilinga, Kirra, Rainbow Bay and Coolangatta. Cr Robbins has represented Division 14 since 1997, having previously served as a councillor with the former Albert Shire Council from 1994 to 1995. The following is a list of some of the committees and/or organisations Cr Robbins is involved with in addition to Council Standing Committees:

- Urban Design Advisory Committee (Chairperson)
- Planning Scheme Review Advisory Committee
- Nature Conservation Stakeholder Group (Chairperson)
- Palm Beach/Currumbin State High School Community Hall Committee
- South Gold Coast Hinterland Creeks and Tributaries Water Advisory Committee
- Tweed River Sand Bypassing Project Advisory Committee
- Wintersun Committee
- Native Title Negotiating Advisory Committee

Tel: (07) 5582 8235 **Fax:** (07) 5582 8633 **E-mail:** rgoldstone@goldcoast.qld.gov.au

More detailed councillor and division profiles are available on Council's website www.goldcoastcity.com.au by clicking on 'About Council' at the home page.



Council meeting in session

Provision of remuneration to councillors or members of committees

Section 534(f) of the *Local Government Act 1993* requires Council to provide “a copy of any resolution made during the year authorising the payment or provision of remuneration to councillors or members of committees of the local government”. No such resolution was made during 2002-2003.

Section 534(g) of the *Local Government Act 1993* requires that Council provide “particulars of -
i) the total remuneration paid or provided by it to each of its councillors during the year; and
ii) the total superannuation contributions paid by it for each of its councillors during the year”

Remuneration for the mayor and councillors (including superannuation) 2002-2003

Division	Councillor	Salary \$	Role allowance \$	Chairperson's allowance \$	Total superannuation \$
Mayor	Baildon G J	110,101.96	18,169.88	3,365.21	13,616.25
1	Hackwood R W	68,816.15	3,365.21	3,365.21	8,661.70
2	Power D L	68,816.15	3,365.21	3,365.21	6,496.43
3	Rickard A J (Deputy Mayor)	82,577.97	5,607.90	0.00	9,909.51
4	Grummitt M J	68,816.15	3,365.21	0.00	8,257.76
5	Young P J	68,816.15	3,365.21	0.00	8,257.76
6	Crichlow D M	68,816.15	3,365.21	0.00	8,257.76
7	Christmas N P	68,816.15	3,365.21	0.00	8,257.76
8	La Castra R	68,816.15	3,365.21	3,365.21	8,661.70
9	Shepherd E L	68,816.15	3,365.21	0.00	8,257.76
10	Sarroff E	68,747.21	3,365.21	0.00	8,249.76
11	Grew J E	68,816.15	3,365.21	3,365.21	8,661.70
12	Drake P B	68,816.15	3,365.21	0.00	8,257.76
13	McDonald D I	68,816.15	3,365.21	3,365.21	8,661.70
14	Robbins S	68,816.15	3,365.21	3,365.21	8,661.70
	TOTAL	1,087,220.94	67,525.51	23,556.47	131,127.01

Note: The Mayor, Deputy Mayor and councillors were provided with an office telephone and mobile telephone (for full and unrestricted use), office accommodation, office secretarial support, and computers and related 'tools of trade' equipment. The Mayor, Deputy Mayor and councillors were provided with motor vehicles in accordance with the Queensland Public Service benefit cost per year.

The Mayor, Deputy Mayor and councillors were also provided with printing, stationery and advertising as set out in the Councillor/Mayoral Support Policy and the cost of approved travel and conference expenses while on approved Council business. These items are predominantly non-cash components of remuneration provided within the annual budget allocation.

Council standing committees

Council has arranged its affairs so a suite of standing committees, made up of varying numbers of councillors, consider matters and make recommendations to meetings of the full Council. Council has eight standing committees. Details of each of these committees, their roles and membership at 30 June 2003, are outlined below.

COUNCIL
STANDING COMMITTEES

COMMUNITY SERVICES

Deals primarily with matters from the Community and Recreational Services Branch of the Community Services Directorate including: community facilities, lifeguard service, parks and gardens, recreation planning, sporting facilities, tourist parks, malls management and Council swimming pools.

Membership: Cr D M Crichlow, Cr P B Drake, Cr R La Castra (Chairperson) and Cr P J Young.

COORDINATION

Deals primarily with major issues that may cross committee boundaries or that may be sufficiently complex or important to require all councillors' attention. All directorates report to this committee about matters including: change management, economic development, major projects, corporate planning, general policy, regional planning, disaster management, industrial relations, information technology and inter-government relations.

Membership: The committee comprises all councillors with the Mayor, Cr G J Baildon, as chairperson.

ENGINEERING SERVICES

Deals primarily with matters from the Engineering Services Directorate including: bikeways, bus shelters, city cleaning, drainage, drain/watercourse management, plant and vehicles, road construction and maintenance, stormwater, workshops and depots, flood mitigation structures, footpaths and transport matters.

Membership: Cr D M Crichlow, Cr R W Hackwood (Chairperson) and Cr E L Shepherd.

FINANCE

Deals primarily with matters from the Organisational Services and City Governance Directorates and the Office of the Chief Executive Officer including: budget preparation, budget review and control, donations, property matters, rates and charges, tourism funding, Gold Coast Arts Centre, Audit Committee, statutory reporting, audit reporting, purchasing policy, oversight of operational planning, oversight of corporate performance indicators, occupational health and safety and risk management.

Membership: Cr N P Christmas, Cr D L Power, Cr A J Rickard, Cr E Sarroff (Chairperson), Cr E L Shepherd and Cr P J Young.

HEALTH, CULTURAL AND COMMUNITY SAFETY

Deals primarily with matters from the Health and Regulatory Services Branch, and the Libraries Services and Cultural Development Branch of the Community Services Directorate including: cultural development, social infrastructure, animal control, cemeteries, community health plan, environment protection, health protection, immunisation, library services, local laws, pest management, regulated parking, waste management, community safety, youth development, catchment management and recycling services.

Membership: Cr P B Drake, Cr J E Grew (Chairperson), Cr M J Grummitt and Cr S Robbins.

PLANNING AND DEVELOPMENT (NORTH)

Deals with planning or development applications and matters relating to those applications specific to the areas covered by Divisions 1 to 6 including: rezoning applications, subdivision applications and town planning applications.

Membership: Cr D M Crichlow, Cr M J Grummitt, Cr R W Hackwood, Cr D L Power (Chairperson), Cr A J Rickard and Cr P J Young.

PLANNING AND DEVELOPMENT (SOUTH)

Deals with planning or development applications and matters relating to those applications specific to the areas covered by Divisions 7 to 14 including: rezoning applications, subdivision applications and town planning applications.

Membership: Cr N P Christmas, Cr P B Drake, Cr J E Grew, Cr R La Castra, Cr D I McDonald, Cr S Robbins (Chairperson), Cr E Sarroff and Cr E L Shepherd.

WATER WASTEWATER BEACHES AND FORESHORES

Deals with matters from the Gold Coast Water and Engineering Services Directorates including: canal/waterway maintenance, beaches, coastal engineering, Hinze Dam, water and sewerage, water quality and trade waste.

Membership: Cr P B Drake, Cr M J Grummitt and Cr D I McDonald (Chairperson).

Section 534(h) of the *Local Government Act 1993* requires Council to report “details of the number of meetings attended by each councillor during the year”.

Standing committee attendance 2002-2003

Division	Councillor	Council	Community Services	Coordination	Engineering Services	Finance	Health Cultural and Community Safety	Planning and Development North	Planning and Development South	Water Wastewater Beaches and Foreshores	TOTAL
Total meetings held		45	22	22	22	21	22	45	45	22	266
	Mayor Baildon G J	41	1	19	2	5	8	15	14	1	106
1	Hackwood R W	33	-	17	21	-	-	36	-	-	107
2	Power D L	43	-	21	-	14	-	40	-	-	118
3	Rickard A J	40	-	21	-	16	-	37	-	-	114
4	Grummitt M J	42	-	19	-	-	19	42	-	20	142
5	Young P J	40	21	20	-	17	-	40	-	-	138
6	Crichlow D M	39	19	19	19	-	-	42	-	-	138
7	Christmas N P	36	-	19	-	15	-	-	38	-	108
8	La Castra R	37	21	20	-	-	-	-	34	-	112
9	Shepherd E L	42	-	22	21	18	-	-	40	-	143
10	Sarroff E	38	-	21	-	19	-	-	38	-	116
11	Grew J E	40	-	21	-	-	21	-	39	-	121
12	Drake P B	43	22	22	-	-	22	-	44	21	174
13	McDonald D I	40	-	19	-	-	-	-	36	21	116
14	Robbins S	40	-	21	-	-	20	-	40	-	121

Note: Councillor attendance is only shown where councillors are members of that standing committee. For details of standing committee membership please refer to page 22 of this report.



Council meeting in session

Corporate governance

ORGANISATIONAL STRUCTURE AND EXECUTIVE OFFICERS

Council's organisational structure comprises the Office of the CEO and seven directorates with branches within each, as noted below. The eight executive officers together with the the Manager Human Resources Coordination and Organisational Development, constituted the membership of the Executive Officer's Committee. This committee met weekly during 2002-2003 to discuss and make decisions on the internal administrative processes of Council.

OFFICE OF THE CEO

- Office of the CEO
- Media Unit
- Customer Service Focus
- Human Resources Coordination and Organisational Development

DIRECTORATES

CITY GOVERNANCE

- Governance
- Internal Audit
- Legal Services
- Mayoral Support
- Value Management
- Fraud Prevention and Security Advice

COMMUNITY SERVICES

- Business Services
- Community and Recreational Services
- Finance and Administrative Services
- Health and Regulatory Services
- Library Services and Cultural Development

ECONOMIC DEVELOPMENT AND MAJOR PROJECTS

- Economic Development
- Major Projects
- Special Planning Projects
- Tourism

ENGINEERING SERVICES

- Beaches and Watercycle Infrastructure
- Construction Services
- Contracts and Administration
- Directorate Business Systems
- Fleet and Plant Services
- Maintenance Services
- Roads Infrastructure
- Technical Services
- Traffic Management and Operations

GOLD COAST WATER

- Infrastructure Services
- Operations and Maintenance
- Quality and Performance
- Retail Services
- Services Delivery
- Strategic Priorities

ORGANISATIONAL SERVICES

- Accounting Services
- Client Services
- Corporate Supply
- CorTechS
- Support Services

PLANNING, ENVIRONMENT AND TRANSPORT

- Building and Technical Services
- Directorate Support
- Statutory Planning
- Strategic and Environmental Planning
- Transportation Planning



CHIEF EXECUTIVE OFFICER

Paul Stevens has been the Chief Executive Officer since 1998 and retired shortly after the end of financial year on 4 July 2003. He holds New South Wales and Queensland Local Government Clerks' Certificates and an Institute of Municipal Administration Certificate. Whist CEO, he was an Associate Member of the Local Government Managers Australia - Queensland and was awarded Local Government Manager of the Year in 1999.



DIRECTOR CITY GOVERNANCE

Dale Dickson has been the Director City Governance since 1999. He has completed a Master of Public Policy and Management, and holds a Bachelor of Business in Local Government, a Graduate Diploma of Management and Queensland and Victorian Local Government Clerks' Certificates. He is an Associate Member of the Local Government Managers Australia – Queensland.



DIRECTOR COMMUNITY SERVICES

Colette McCool has been the Director Community Services since 1999. She has completed a Master of International Management, and holds a Bachelor of Arts, Graduate Diploma of Public Executive Management, Graduate Diploma of Administration and a Graduate Diploma of Librarianship. She also has qualifications in applied linguistics and has a Trained Secondary Teacher's Certificate. Colette is a member of the Australian Institute of Company Directors, the Local Government Managers Australia - Queensland, the St James Ethics Centre and the Australian Local Government Women's Association.



DIRECTOR ECONOMIC DEVELOPMENT AND MAJOR PROJECTS

Greg Young has been the Director Economic Development and Major Projects since 1995. He has completed a Master of Business Administration and holds a Bachelor of Commerce and a Bachelor of Engineering (Civil) (Honours). He is a member of the Institution of Engineers, Australia and is a Registered Professional Engineer, Queensland.



DIRECTOR ENGINEERING SERVICES

Warren Day was Director of Engineering Services with the former Albert Shire Council from 1992 to 1995 and has continued as Director Engineering Services with Gold Coast City Council since 1995. He has completed a Master of Business Administration, and holds a Bachelor of Engineering, a Certificate as Local Government Engineer, Queensland, Certificate in Local Government Engineering, New South Wales and a Certificate as Municipal Engineer, Victoria. He is an Honorary Professor, School of Engineering, Griffith University; Fellow of the Institution of Engineers, Australia and a Chartered Professional Engineer. Mr Day is also the Chairman of the Gold Coast Group of Engineers, Australia.



DIRECTOR GOLD COAST WATER

Shaun Cox has been the Director Gold Coast Water since 1995. He has completed a Master of Engineering and Technology Management and holds a Bachelor of Engineering (Civil). He is a member of the Institution of Engineers, Australia and a board member of the Water Services Association of Australia.



DIRECTOR ORGANISATIONAL SERVICES

Joe McCabe has been the Director Organisational Services since 1999. He was the Director Financial Services at Gold Coast City Council (pre-amalgamation) from 1989 to 1995. He holds a Bachelor of Business - Public Administration and a Queensland Local Government Clerks' Certificate.



DIRECTOR PLANNING ENVIRONMENT AND TRANSPORT

Warren Rowe has been the Director Planning Environment and Transport since 1995. He holds a Bachelor of Regional and Town Planning (2A Hons.), Graduate Diploma of Business Administration and Graduate Diploma in Executive Leadership. He is a member of the Royal Australian Planning Institute; Queensland Environmental Law Association; Urban Land Institute of America; Property Council of Australia; Property Institute of Australia and the Queensland Aesthetics Forum.



NEW CORPORATE PLAN

Council adopted its new Corporate Plan 2003-2007 on 20 June 2003. It sets Council's direction for the four years from 1 July 2003. The plan plays a key role in ensuring good governance by Gold Coast City Council on behalf of its community. The plan is not an end in itself; rather, it is the Council's primary contract with its community and is part of a broader approach to democratic governance that is designed to deliver the outcomes Council has agreed are most important for present and future generations.

The plan gives a clear, unambiguous direction to stakeholders about the Council's strategic priorities and related strategies for the next four years. These aim to deliver on Council's vision for its wonderful city. The 'external' strategic priorities identified in the plan closely reflect the views of the community, which have been sought and identified through consultative processes undertaken over the past two financial years.

The plan develops a sense of unity and purpose for Council's elected representatives and staff in striving towards the achievement of its agreed strategic priority outcomes.

The plan encompasses external and internal strategic priorities to achieve a sustainable community, environment and economy. The strategic priorities are detailed on page 14 of this report.

The implementation of Council's new Corporate Plan is seen as the catalyst for a greater degree of integration and alignment between planning, risk management, resource allocation, performance and community outcomes.

The 2003-2004 year will be the new Corporate Plan's first year of operation. Therefore, this report has been prepared in accordance with the Corporate Plan 1998-2003 that was operational to 30 June 2003.

CORPORATE GOVERNANCE PROJECT

Council initiated the Corporate Governance Project (CGP) during the first half of 2003 to develop a principle-based framework and system of corporate governance. This will provide the necessary assurance that Council's strategic priority outcomes in Council's new Corporate Plan are delivered efficiently and effectively.

The CGP will review all aspects of corporate governance and will deliver the following outcomes to Council:

1. An assessment of the state of corporate governance in Council;
2. A corporate governance framework and system that will enhance and optimise performance through quality decisions, effective performance management, alignment of resources to strategic direction, and an appropriate organisational culture;
3. An implementation plan that will move Council to the desired model of corporate governance;
4. An increased awareness, understanding and acceptance within the organisation of good corporate governance; and
5. A clear definition and acceptance of the roles and responsibilities of the various stakeholders in corporate governance.

SUPPORTING GOOD CORPORATE GOVERNANCE

Audit committee

Council's Audit Committee is an advisory committee established under Council's Audit Policy. It reports to Council via the Finance Committee on corporate governance issues particularly related to internal control and audit-related matters. The committee comprises the Chairperson of the Finance Committee, three councillors, the Mayor ex-officio, the CEO ex-officio, and one independent member. The External Auditor has a permanent invitation and regularly attends Audit Committee meetings. The Committee receives regular reports directly from the Manager Internal Audit and the Fraud Prevention and Security Adviser.

The Audit Committee's main responsibilities are to ensure:

- corporate governance responsibilities are addressed;
- internal control and risk management structures are appropriate;
- the audit process (both internal and external) is effective; and
- external reporting is effective.

The committee:

- supports measures to improve management performance and internal controls;
- promotes the need for public accountability of managers to Council, the ratepayers and others;
- ensures effective liaison between senior management, internal auditors and external auditors;
- oversees and appraises the quality of the audits by the Council's internal and external auditors; and
- approves the Three Year and Annual Internal Audit Plans.

At 30 June 2003, membership of the Audit Committee consisted of:

- Cr E Sarroff (Chairperson), (Chairperson of Finance Standing Committee)
- Cr D I McDonald
- Cr A J Rickard
- Cr P J Young
- Cr G J Baildon, Mayor (ex officio)
- Mr Paul Stevens, CEO (ex officio)
- Mr Clem Wildermuth (independent of Council)

Internal audit

Council's Internal Audit Branch provides an independent assurance and advisory service to the Audit Committee and council management. Several major audits and special projects were completed during the 2002-2003 financial year including:

- Gold Coast Arts Centre;
- Grants and subsidies;
- Asset management – Stage 1;
- Waste management;
- Water meter replacement – work allocation;
- Surfers Paradise Traffic Management Scheme;
- Review of information system strategies;
- Bruce Bishop Car Park – system review;
- Gold Coast Water – probity audit by external auditors for the C3 Infrastructure Program Alliance;
- Bank reconciliations.

Other consultancies, projects, statutory and compliance audits were completed for various sections of council.

Corporate governance

Risk management

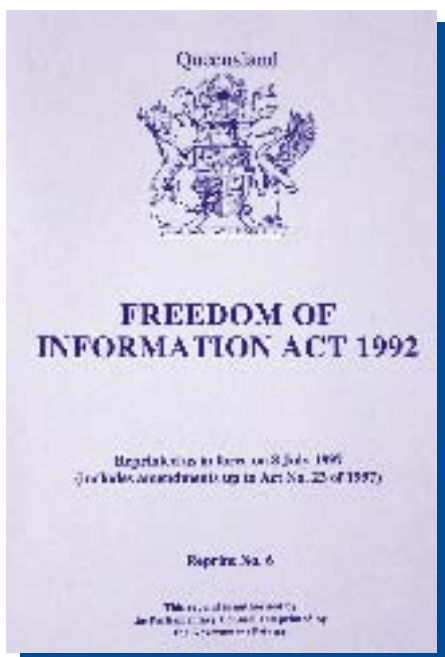
The profile within Council of effective risk management has been progressively increased in recent years as a key control to good governance. Council's corporate risk management methodology is based on Risk Management Standard AS/NZS 4360:1999, ensuring a logical approach covering the identification and analysis of risk and the development of risk treatments. During 2001-2002 Council undertook a corporate risk assessment process involving all of Council's directorates. The results of the assessment were subsequently considered as part of the Corporate Plan Review process that was completed during 2002-2003.

Insurance

On the recommendation of Council's insurance brokers, Council's Chief Executive Officer and Manager Insurance travelled to London in October 2002 to make presentations to and meet representatives of Council's insurance underwriters. This trip was necessary to address:

- the decrease in the availability of insurance cover;
- the enormous increase in insurance costs resulting from man-made and natural disasters across the world in recent times;
- the dramatic rise in public liability claims over the past few years which has left Australia with no insurers for local government authorities that are the size of Gold Coast City;
- that only two insurers in the world are willing to insure large local governments in Australia — both are based in London.

Council originally budgeted for a 60 percent increase in insurance premiums for the financial year 2002-2003. As a result of the London visit Council's premiums increased only 32 percent. Other local government authorities and utility providers experienced increases of 100 percent or more in the same period.



Freedom of Information Act 1992

Freedom of Information (FOI)

During the year, Council's FOI Unit received 313 FOI applications in comparison to 297 in 2001-2002 under the Freedom of Information Act 1992 (Qld). The public has the right under this act to apply for access to Council information, including viewing documents and/or obtaining personal copies. Applicants dissatisfied with an FOI decision have the opportunity to apply for a review by a senior officer, independent of the FOI decision-maker.

Ethics and corruption prevention

Council has a rigorous corruption and fraud prevention program, including sound strategies to minimise the risk of corruption and fraud and assure stakeholders of the transparency and accountability of Council's decision making processes. The corporate risks identified through an ongoing risk assessment process are considered for corruption, fraud and protective security issues.

Council has developed a very strong ethics program with the motto 'Protecting You Protecting Us' that underpins Council decision-making and supports organisational control and flexibility so as to meet the challenges of the increasingly complex public sector and business environments.

Code of conduct

Council's Code of Conduct for councillors and officers is a public statement of Council's commitment to very high standards of government and administration. The Crime and Misconduct Commission (CMC) has held out Gold Coast City Council's code as best practice for Queensland public sector organisations, as it clearly outlines the conduct that is expected of councillors and officers and is based on the following key principles from the *Public Sector Ethics Act 1994*:

- respect for the law and the system of government;
- respect for persons;
- integrity;
- diligence; and
- economy and efficiency.

In addition to the requirements stated in the code, Council has a policy on staff receiving benefits including gifts from members of the public as a result of their employment. Directors are required to maintain registers of relevant benefits received by their staff. The Fraud Prevention and Security Adviser and the CMC periodically use these registers to support independent investigations.

Councillors have attended workshops on the code, both as a discrete group and together with the CEO and directors. All staff are required to participate in a three-hour ethics workshop that is part of the Council's staff induction program (over 218 staff attended during 2002-2003) and covers the operation of the *Local Government Act 1993* relating to the duties of councillors and employees, as well as the code.

A Business Ethics pamphlet supports the code and seeks the cooperation of Council's suppliers and clients to ensure the code is effectively implemented. Copies of the code and pamphlet are available free at all administration centres, customer service outlets and libraries, and electronically on Council's website.

Fraud prevention

Council's Fraud Prevention and Security Adviser provides an all-hours hotline service through a public telephone number published in the White Pages telephone directory. This service is available to the public and council staff on any matters concerning ethics, corruption and fraud prevention, and the security of Council's assets and resources. Investigations establishing breaches of Council policies by staff are usually dealt with by disciplinary action. Any matters that reasonably raise a suspicion of any official misconduct are referred to the CMC. The CMC may perform criminal investigations and prosecutions where appropriate. Alternatively, the CMC may refer matters back to Council for internal investigations. The Fraud Prevention and Security Adviser will undertake independent investigations where necessary and may recommend disciplinary or other action where appropriate.

The number of referrals from Council to the CMC decreased from 13 in 2001-2002 to seven in 2002-2003. The CMC verified that between January 2001 and June 2003 over 50 percent of allegations made against Council to the CMC related to corruption/favouritism. Council recommended managerial/disciplinary action in over half of the allegations it investigated.

Council investigations in relation to official misconduct or corruption matters are subject to review and/or monitoring by the CMC. In addition, regular reports are provided to Council's Audit Committee, which has independent representation from people external to Council including the Queensland Audit Office. Council also ensures that it complies with provisions of the *Whistleblowers Protection Act 1993* in relation to the protection of whistleblowers.

Material personal interests

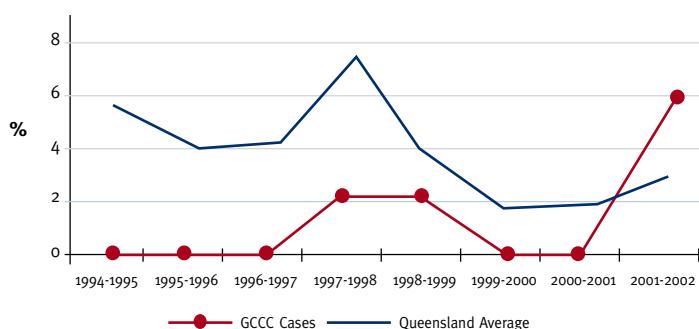
To provide a reassurance that material personal interest or conflict-of-interest situations are disclosed and properly dealt with, councillors, the CEO, directors and managers and their related persons are required to register their personal interests in writing. Such records are open to scrutiny through various formal channels. In addition, councillors and officers are required to appropriately declare potential material personal interest and also give preference to the public's interests.

Delegated authority

Council maintains a current and effective register of those personnel who have delegations to purchase goods (which is complemented by a comprehensive purchasing policy and guidelines) or exercise particular authority on behalf of the Council or the CEO under the *Local Government Act 1993*.

Ombudsman investigations

Percentage of Ombudsman's complaints deemed 'maladministration proven' against Council compared to the Queensland average



The figures reported are from the Queensland Ombudsman's database that has been in operation since 1994. This graph represents the percentage of those cases finalised in each financial year where maladministration was proven against Gold Coast City Council, as compared to the Queensland average of cases where maladministration was proven against all other Councils. The periods from 1994-1995 to 1996-1997 and 1999-2000 to 2000-2001 show that no cases of maladministration were proven against Council. During 1997-1998 and 1998-1999, 83 complaints were finalised in each year. Of these, two instances (2.4 percent) of 'maladministration proven' occurred in each year.

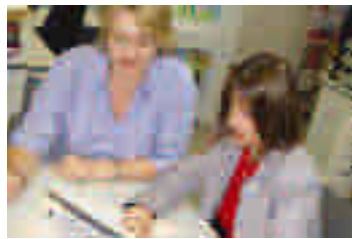
For 2001-2002, 105 cases were finalised with six instances (5.71 percent) of 'maladministration proven'. The Council's imposition of a rental registration fee in 1998-1999 and the amount of that fee were deemed unreasonable. It resulted in all six instances of established maladministration.

The Council cooperated with the Ombudsman by accepting all his recommendations to address the problem. The administrative improvements implemented by Council following the finalisation of the Ombudsman's investigation should prevent recurrence of this issue.

Council's result for 2001-2002 compared to the Queensland average was unfavourable. However, as previously noted, all six occurrences of 'maladministration proven' related to the same matter. A cooperative relationship is enjoyed with the Ombudsman as Council seeks to resolve complainants' concerns as a first priority. Under the Ombudsman Act 2001, the Ombudsman seeks to resolve matters on an informal basis as a first priority as opposed to establishing clarity of error. At the time of preparing this Annual Report, results for 2002-2003 were not available from the Queensland Ombudsman's Office.

Assessing Council's performance throughout the year

As part of the Council's corporate governance processes, quarterly reports are presented to Council via its Finance Standing Committee, to assess Council's progress towards achieving the objectives of its corporate and operational plans, and adherence to its budget. A strong focus of Council's governance framework is performance management. This is reflected through Council's continuous effort to refine the 'key performance indicators' reported to Council, which provide an insight into financial and non-financial performance that is not gleaned from purely budget performance reporting. It also provides an information base against which Council can compare its performance to that of other local governments. Refer to pages 34 to 63 of this report for Council's performance in implementing its corporate and operational plans for 2002-2003.



GCCC staff committed to excellence in work activities

Gold Coast City Council's people

HUMAN RESOURCES

People are Council's most valuable and important resource. The continuous improvement of Council's service to the community and other stakeholders through its staff is the key role of its Human Resource Coordination and Organisational Development Branch. The branch aims to enhance Gold Coast City Council's strategic direction and its ability to achieve its goals and objectives through maximising the potential of its people and processes.

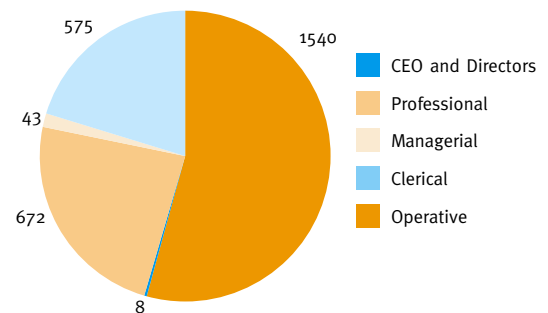
Council staff work for the community and other stakeholders. Staff are valued for:

- Excellence in all work activities
- Commitment to working in a safe environment
- Commitment to highest ethical standards
- Responsibility and accountability for actions
- Commitment to equal opportunity
- Integrity

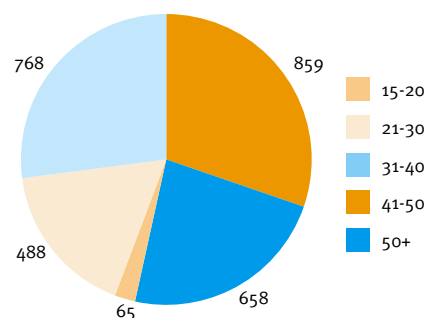
Analysis of the workforce

At 30 June 2003 Council employed 2838 staff: 2377 full time, 115 part time, 110 temporary and 236 casual employees (2615 full time equivalents). The following graphs present a snapshot of the classification, age and distribution of Council employees. In addition to employed staff, Council coordinates 425 active volunteers and 46 cadets of the State Emergency Service through its Counter Disaster Section.

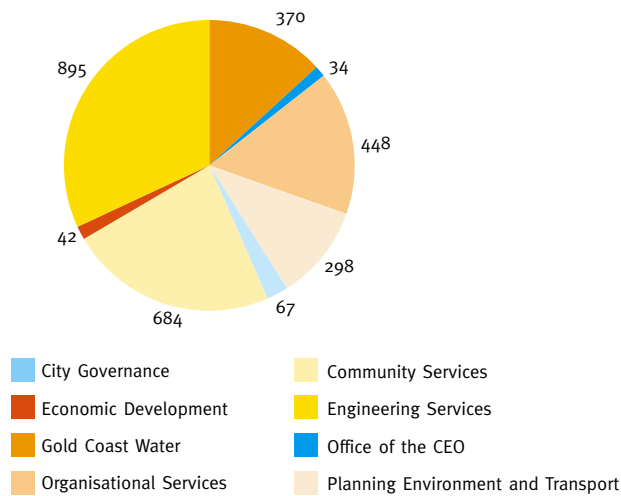
Number of staff by classification



Number of staff by age group



Number of staff by directorate



Industrial relations

Council's Enterprise Bargaining Agreement (EBA Mark III) expired on 30 June 2003 and negotiations were undertaken to enter into a new three-year agreement. The enterprise agreement provides staff and management consensus on working terms and conditions. The agreement will enable management and staff to work together to achieve the objectives of the Corporate Plan. The new agreement (EBA Mark IV) received overwhelming approval from staff and was signed by the relevant commissions before coming into operation on 1 July 2003.

Workplace health and safety

Council aims to provide staff with a healthy, safe and injury-free work environment. During 2002-2003 Council's Occupational Health and Safety Unit continued to refine the Occupational Health and Safety Management System to support the attainment of AS 4801 certification (Occupational Health and Safety (OH&S) Management Systems).

During this year, 510 incidents occurred resulting in 2785 lost working days. This is a decrease from 538* incidents in 2001-2002 and an increase from 475* incidents in 2000-2001.

* Note: Work Cover reporting varies between yearly reports due to the date claims are placed with Council, hence the variation from previous years' reported figures.

The unit conducted training for employees who were identified through a directorate training-needs analysis. The employees who received this training were those undertaking high-risk operations, or who were exposed to high-risk areas. Training was also provided to community organisations such as the Rural Fire Brigade, the Australian Volunteer Coast Guard and State Emergency Service.

In consultation with the Queensland Breast Screening unit, its mobile screening unit was hosted at Council so eligible staff and staff from surrounding companies could participate in breast screening. The unit was on site for three days and screened more than 130 participants.

Benchmarking

Council participates in a national human-resource benchmarking survey (InfoHRM scorecard) that measures information from local government, the public sector and other industries. This standardised performance monitoring enables appropriate initiatives to be implemented by providing awareness of strengths, improvements and areas to be improved.

The leave (absenteeism) data that follows is from the InfoHRM scorecard for the 2002 calendar year. For 2002 there were an average 8.96 total unscheduled absence days recorded per Council employee. This year's result is a reduction on the 2001 result of 9.10 days. It remains comparable to the 8.16 days for local government for 2002. Included in the 2002 total figure are:

- Average sick leave days per employee: 6.23 (general local government result: 6.04)
- Average family leave days per employee: 1.29 (local government result: 0.47)
- Average workers compensation days per employee: 1.28 (local government result: 1.10)

Training

Council has a commitment to identify and invest in learning development programs. Staff at all levels are provided with opportunities to continuously improve their abilities in a work environment that offers professional development and technical training. Employees' training needs are identified each year through annual performance appraisals.

Additionally, through its Tertiary Study Policy, Council offers assistance to staff through reimbursement and support to obtain approved qualifications that develop specialist knowledge and skills needed in the course of their work.

Corporate Health Staff Survey 2002

In August 2002 the Corporate Health Staff Survey was undertaken. The last survey was conducted in 1999. The following is a selection of results that portray staff perceptions:

- Leadership increased from the 40 percent favourable response in 1999 to 46 percent.
- Management effectiveness increased favourably from 44 percent in 1999 to 49 percent.
- Planning and strategy (understanding of the corporate plan and belief that clear directions were set) achieved 55 percent, which is higher than the Municipal Government sector average of 53 percent.
- Internal service quality achieved 70 percent, which is higher than the Municipal Government sector average of 65 percent.

Issues arising from the survey, which will be addressed, included:

- Organisational cohesion, communication, streamlined information access and capture (absence of red tape), and to an extent staffing levels, workload and growth;
- Review of the Directorate Consultative Committees;
- Management competencies and accountabilities;
- A corporate recognition and acknowledgement approach for staff;
- Equity in recruitment, promotion and position.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

EEO is the right to fair and unbiased conduct, practices and decisions in all employment related activities.

Section 534(i) of the *Local Government Act 1993* requires Council to provide "a statement including the information prescribed under a regulation about its activities during the year to implement its plan for equal opportunity in employment". This is provided below.

Annual forward plan

Every year Council reviews its EEO Management Plan to develop an Annual Forward Plan. This plan identifies specific strategies and supporting activities to achieve the Management Plan's Key Result Area intentions. Initiatives for the 2002-2003 plan included:

- staff awareness training;
- supervisor/manager awareness training;
- reviewing existing policies;
- continuing Council's Diversity and Equity Officer program.

A component of the 2002-2003 plan was to develop and conduct an EEO census. Unfortunately the EEO census was not developed because of time commitments. Therefore this initiative has been included as a priority in the 2003-2004 EEO Annual Forward Plan and will be its major focus.

An EEO census is a survey of staff to determine demographical data, for example, special needs. This information will help to develop Council's EEO profile. It will also provide better information for the EEO Management Plan and related strategies, and for Council decisions on matters impacting on staff. This information is vital to the future management of EEO initiatives, policies and practices. The completion of the census in the coming year will be a significant step for Council's EEO program, enabling improved analysis of the workforce. Other aspects of the plan as listed above will continue during the year.

Training

In 2002-2003 Council continued to conduct EEO staff awareness training and EEO supervisor/manager awareness training, with 325 employees across all areas attending. A further 217 employees attended induction sessions, which included an EEO awareness segment to ensure new staff were, from the start of their Council employment, aware of their rights and responsibilities in relation to EEO.

Diversity and Equity Officers

Council's Diversity and Equity Officers (DEOs) met on a regular basis during the year to confidentially discuss relevant EEO issues and share knowledge and advice. It is the DEOs' role to provide a first point of contact for staff with queries or concerns relating to any aspect of EEO. In particular, this includes provision of general advice about the nature of harassment, discrimination and bullying, its effects, and complaint resolution mechanisms. Recruitment was undertaken for further DEOs throughout Council to ensure all staff have adequate access to a DEO and/or EEO Coordinator(s).

Three new DEOs were recruited bringing the total to nine. All DEOs participated in a training program to ensure they were adequately equipped to operate in the role. The DEOs also participated in a strategic planning day to identify future EEO Initiatives.

Target groups

Council appointed 46 trainees during 2002-2003 under the Queensland Government's Department of Employment and Training *Breaking the Unemployment Cycle* program. Trainees were appointed from a broad range of EEO target groups including women, Aboriginal and Torres Strait Islander people, people with disabilities and people from non English speaking backgrounds. The trainees were placed at a number of Council locations across the City to work in a broad range of Council operations including libraries, horticulture, office administration, land conservation and sport and recreation. The traineeship scheme achieved many outcomes, including trainees gaining full-time employment with Council and/or other businesses, as well as gaining industry-recognised and nationally accredited qualifications and valuable work experience.

Council appointed four apprentices under the Queensland Government's *Breaking the Unemployment Cycle* program during 2002-2003. Apprentices were appointed to positions across a range of Council operations: carpentry, diesel fitting, painting and construction, and fitting and turning. Each apprenticeship is for a four-year period, where each apprentice gains an accredited qualification and considerable industry experience.

As stated previously, Council's EEO Management Plan for 2003-2004 will focus on a census of existing staff that will provide EEO data about target groups. This will enable Council to recognise and address their needs and to provide statistical information to the community and peak bodies.

Consultation

Gold Coast City Council's EEO Management Plan allows for continuous consultation and reporting to DEOs, staff, the Executive Officers Committee, the Joint Unions Committee and Directorate Consultative Committees. Committee minutes are available to all staff via Council's intranet.

Recruitment

Council's Recruitment Policy and associated procedures ensure individuals are selected on merit, based on fair and open competition and in accordance with EEO principles. The figures below show the number of staff appointed to the Council (full time, casual or part-time employees) by category and gender over the past three years, exclusive of internal recruitment actions.

2002-2003			
Category	Male	Female	Total
Managerial	2	0	2
Professional	65	30	95
Clerical	7	76	83
Operative	136	34	170
Total	210	140	350

2001-2002			
Category	Male	Female	Total
Managerial	4	1	5
Professional	89	73	162
Clerical	24	183	207
Operative	241	80	321
Total	358	337	695

2000-2001*			
Category	Male	Female	Total
Managerial			1
Professional			128
Clerical			112
Operative			175
Total	248	168	416

* No gender split available by category for 2000-2001



GCCC outdoor staff at work



Council's performance in 2002-2003

Section 533 of the *Local Government Act 1993* requires that Council provide "an assessment of its performance in implementing its corporate and operational plans". In order to make a complete assessment of Council's performance in delivering planned economic, social and environmental outcomes that reflected the community's needs throughout the 2002-2003 year, the following section should be considered together with the 'City key performance indicators' outlined on pages 10 to 11 of this report.

An assessment of Council's performance in implementing its corporate and operational plans (reported by each corporate plan objective) is detailed on the following pages. In addition, quantitative and qualitative measures of Council's performance are included under the relevant corporate plan objective.

Council's key objectives - four City and 10 Corporate Objectives - in the Corporate Plan 1998-2003 are:

1. Quality of life

- > 1.1 Individual wellbeing
- > 1.2 Customer and community focus
- > 1.3 Community development

2. Healthy economy

- > 2.1 Well-managed city
- > 2.2 Prosperity

3. Environmental sustainability

- > 3.1 Quality natural environment
- > 3.2 Quality built environment

4. National and international profile

- > 4.1 Tourism and events
- > 4.2 Business and investment
- > 4.3 International relations



CITY OBJECTIVE **1**
QUALITY OF LIFE

RESPECT THE INDIVIDUAL, IMPROVE HEALTH AND SAFETY,
AND ENHANCE THE CHOICES AVAILABLE FOR LIVING, WORKING,
LEARNING, CULTURAL AND RELIGIOUS ACTIVITIES, RECREATION
AND ENTERTAINMENT.



CORPORATE OBJECTIVE **1.1** INDIVIDUAL WELLBEING

MAINTAIN AND IMPROVE HEALTH, HYGIENE AND SAFETY AND SUPPORT EQUITABLE ACCESS TO SERVICES AND ACCOMMODATION.

Education, planning and action across all age groups have been the highlights of Council's endeavours. These included further development of anti-speeding programs for suburban streets, responsible pet ownership, especially of dogs, and surf safety through schools, events and the community. During the year plans were developed for crime prevention, a housing strategy for the City and a Junior Council initiative exploring leisure issues for young people. Council's performance in implementing its corporate objective of 'individual wellbeing' during the year is demonstrated by the following actions:

Coolangatta/Tweed Heads Crime Prevention Plan

The development of the Coolangatta/Tweed Heads Crime Prevention Plan was possible because of a joint initiative between the Tweed Shire and Gold Coast City Councils and their respective state governments. The plan was funded by Crime prevention Queensland and the New South Wales Crime Prevention Division.

A report on the plan is to be endorsed by each of the Councils early in 2003-2004. The plan and its recommendations should help provide a safe and supportive environment for Gold Coast residents, and strategies to improve personal safety.

New community-operated speed awareness trailer

Council bought a second speed awareness trailer in response to community requests. It began operations in March 2003 with the full support of the Queensland Police Service.

The trailer is deployed on local streets where speeding is a problem outside normal working hours. It enables the community to work with Council and the police to address neighbourhood speeding. There is a waiting list of about one month to use a speed awareness trailer.

Responsibility for the trailer is accepted by the community, providing it with a sense of ownership and involvement, and building positive neighbourhood relationships between individuals and groups while addressing concerns about speeding on local streets.

Graffiti policy

In response to the need for a policy on the management of graffiti, Council developed a graffiti policy providing a structure for reducing graffiti and improving response times for its removal.

*Photos from top left clockwise : Dr Harry Cooper promotes responsible pet ownership
Speed Awareness Trailer in action
Schoolies Festival
City cleaning makes for an enjoyable environment*

Schoolies Festival

Council managed the Schoolies Festival in 2002 for the last time. The Queensland Government will manage this increasingly popular annual event from 2003. Council's support role will be to help the government by providing the necessary infrastructure for the festival, such as portable toilets and street barricades, which help with crowd management and behaviour. The concentration of schoolies in the Surfers Paradise area helps in the festival's management and reduces disruption of other tourists at other Gold Coast centres.

Expanded City cleaning program

In response to community expectations and development across the City the cleaning program was expanded with two additional staff, associated equipment and cleaning schedules. The new service included cleaning park furniture. Residents and visitors now have access to more facilities that are cleaned regularly.

Responsible pet ownership with Dr Harry Cooper

Dr Harry Cooper of Harry's Practice television fame has appeared in a series of Gold Coast City Council radio and television advertisements as part of a campaign to increase responsible pet ownership in the community. The themes for the advertisements included: dogs on leashes, secure enclosures, dog registration, aggressive dogs and barking dogs.

The advertisements provide a better understanding of pet owners' responsibilities.

Dog education program

Through the year an education program about dogs was conducted for years 1 and 5 schoolchildren by Council's Animal Control Officers. The program addressed key messages including:

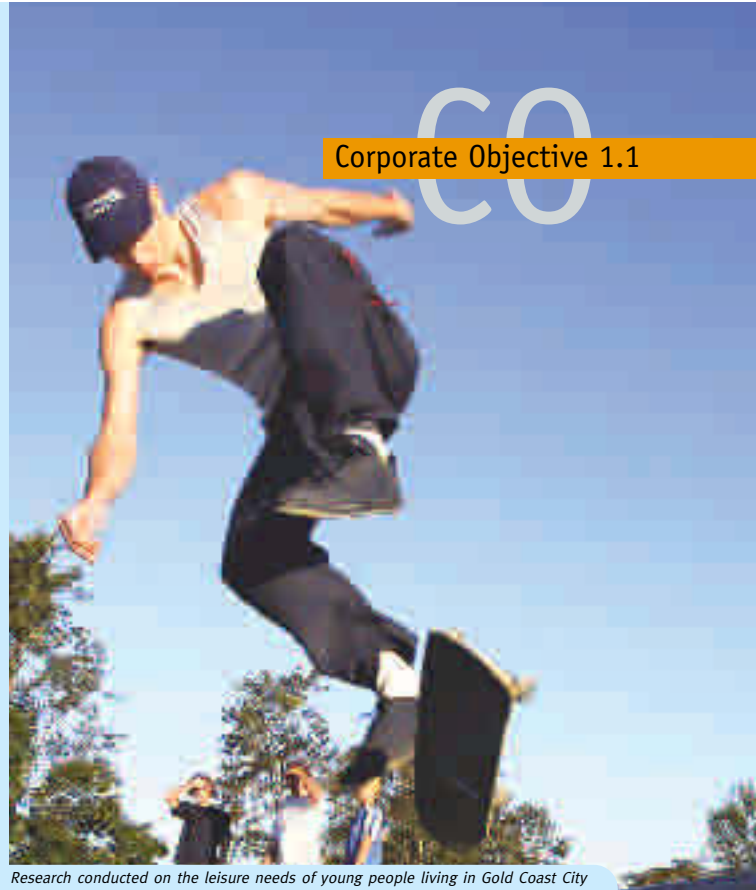
- Keep your dog on a leash
- Register your dog
- Basic/normal dog behaviour
- How to behave around your dog
- Pick up your dog litter
- Be a responsible pet owner

The program provides a basic knowledge of local laws regarding dog ownership and the control of dogs by children and parents.

Housing Strategy

A draft Housing Strategy was developed in 2002-2003 through collaboration between Council, Gold Coast community housing sector, the property industry, Queensland Government and the general community through the Housing Strategy Steering Committee. The strategy addresses City housing issues identified through research and consultation with the housing sector.

The draft strategy will be released for public review in 2003-2004 following Council's approval. It addresses all aspects of housing including diversity, affordability, crisis housing, energy efficiency and urban design.



Research conducted on the leisure needs of young people living in Gold Coast City

The strategy includes a range of actions to help housing providers (i.e. government, community and private housing sectors) provide housing that meets the needs of Gold Coast residents.

Families research project to identify issues affecting low-income families in Gold Coast City

Council and the Gold Coast Child and Family Support Network identified the need for the project, which will develop a profile of families and family support services and their participation in community life.

When completed in 2003-2004 the profile will provide an information resource comprising:

- a detailed demographic profile of families; and
- a description of issues, needs, abilities, opportunities, networks and resources relating to families and family services in Gold Coast City.

During the year Phase 1 of the project, including the preparation of a families demographic profile, was undertaken.

Leisure lifestyles of young people living in Gold Coast

In a project initiated by Junior Council, Griffith University's School of Leisure Studies researched the leisure needs of young people living in Gold Coast City. The research resulted in a publication in Council's Social Research Studies Series that included 12 recommendations for improving leisure and lifestyle outcomes for young people in the City.

The research has provided comprehensive information about young people aged 15-17, in particular about leisure activities, constraints on leisure activities, lifestyle priorities, perceptions of risk-taking behaviour, and perceptions about Council and Junior Council.

Corporate Objective 1.1



Lifeguard education with Larry the Lifeguard

Lifeguard Education Program

The Lifeguard Education Program is very successful in reaching school and community groups. About 9,490 students, visitors and overseas groups attended Council's Surf Safety Awareness Program in 2002-2003. Early primary school children are very receptive to the safety message and to *Larry the Lifeguard* handing out sample bags with balloons, colouring books and surf safety tattoos.

Distribution of surf safety pamphlets and information to accommodation houses is proving most effective. About 85 percent of accommodation houses have surf safety cards and multi-lingual cards delivered to them on a monthly basis by Council's Lifeguard Service. Education displays featuring *Larry* were also conducted throughout the year at various venues including the Gold Coast Show.

Lifeguards share knowledge and win team championship at national conference

Council lifeguards attended the Annual Australian Professional Ocean Lifeguard Association Conference at Coffs Harbour in May 2003. The conference included numerous workshops and lectures relating to beach safety and local government and gave an opportunity for an exchange of ideas and techniques with fellow professionals from around Australia.

The Australian Lifeguard Championships were held on the last day of the conference. Gold Coast City Council's lifeguard team won the team championship. The team competed against professional lifeguards from seaside Councils around Australia in a series of demanding surf races covering all aspects of lifeguarding. Council's team won most events to win the title.

Council's lifeguard service is highly regarded for its leadership, innovation and professionalism, and its dedication and commitment to protecting residents and visitors to the City's beaches. Council's professional lifeguard service comprises 27 full time lifeguards, 12 relief lifeguards and 60 seasonal lifeguards who operate from strategically placed lifeguard towers.

Key performance indicator

Beach safety – Council's lifeguard service

Year	Number of preventative actions	Number of rescues	Number of first aid actions	Number of resuscitations
1998-1999	27,085	2,072	7,031	3
1999-2000	27,442	1,557	10,714	1
2000-2001	31,312	2,275	6,253	6
2001-2002	30,760	2,018	9,448	8
2002-2003	25,590	1,270	2,856	2

Analysis:

Council patrols a minimum of 20 beaches 365 days a year. Every year from September to April this increases to 32 beaches. During the holiday period in December and January this is further increased to 42 beaches. Surf Life Saving Queensland (SLSQ) volunteer surf patrols operate from September to the end of April. The above data is collected by Council's lifeguards and is exclusive of SLSQ statistics.

Generally, throughout 2002-2003 surf conditions were more favourable than in previous years, resulting in a 17 percent drop in preventative actions and a 37 percent drop in the number of rescues compared to the previous year. Of particular note, is the 70 percent reduction in first aid actions, which can be partly attributed to the significant reduction in the incidence of marine stingers during the October–December period. It is believed the drought may have had an impact on the numbers of these creatures, which spawn in coastal rivers and estuaries.

Resuscitations are deemed actions involving cardiopulmonary resuscitation (CPR). Only actions involving CPR are deemed resuscitations for statistical purposes. The figures refer to situations where resuscitation procedures were administered to people who experienced breathing difficulties or who were unconscious because of immersion or medical conditions that arose on the beach. Resuscitation figures previously reported for 2000-2001 and 2001-2002 included oxygen therapy treatments (OTTs). The figures have been updated above to exclude OTTs. The CPR figure for 2002-2003 is pleasing and largely reflects expectations based on previous years' results.



Council's plans are to embrace participation of young people in their community.



Taking pride with customer service

CORPORATE OBJECTIVE 1.2 CUSTOMER AND COMMUNITY FOCUS

OBTAIN AND RESPECT THE VIEWS OF OUR CUSTOMERS AND COMMUNITY, GEAR OUR OPERATIONS TO MEET THEIR NEEDS AND MAINTAIN OPEN LINES OF COMMUNICATION.

Improving Council's high standard of interaction with the community has been the main aim. Communication has expanded to include a youth website, simpler library use through internet access and empowerment of the community by seeking and incorporating their views and needs in the development of plans. Council's performance in implementing its corporate objective of 'customer and community focus' during the year is demonstrated by the following actions:

Youth Policy and Strategy

A draft Youth Policy and Strategy was developed during the year to enable Council to respond to the needs of young people in the City. Both documents will be finalised in the coming year following a final consultation process.

The policy will define Council's plans to embrace participation of young people in their community.

Youth On-line

The development of a youth website began in response to the community's need for information regarding youth issues such as youth services, information for parents, information about Junior Council and general youth-related information.

The site is now live at www.goldcoastcity.com.au/youthonline and will provide improved support and information about and for youth services, parents, Gold Coast City Junior Council and young people.

Complaint management system – local laws and animal control

Council's Health and Regulatory Services Branch has adopted a Brisbane City Council (BCC) Customer and Community Services Division initiative for handling complaints. Called the Alarm/Toolbox, it is supported by a risk management framework and a set of standard operating procedures that use this framework.

The initiative has been adopted in consultation with BCC under a mutually beneficial agreement to meet the needs of the branch following a recent review of licensing, registration and complaint response procedures for local law and animal control operations. The system will enhance service to the Gold Coast community.

Customer service

Customers continue to rate highly the level and quality of service from Council's Customer Services areas, with 92 percent of respondents to Council's February/March 2003 survey rating the services as excellent or good.

Council takes customer service seriously and the superior level of service is testament to the officers' dedication and ongoing training to ensure they are abreast of issues and activities. Ratepayers and the general community can be assured knowing Council is conscious of their needs and is providing services of the highest standard.

Corporate Objective 1.2

New library management system

A new automated library management system (iQuest) was launched on schedule in April 2003. The system uses the latest technological advances in library service capability. The system has been well received by customers, with impressive use of internet facilities recorded.



In line with the community's expectations in the evolving information economy, the new system provides library customers with an up-to-date information retrieval system and internet access to library resources.

Fairer pricing structure for commercial wastewater customers

Following customer and government pressure Council, via the Non-Residential Customer Advisory Committee, changed the way it charged for commercial wastewater. The advisory committee considered changes to wastewater pricing and made recommendations to move towards a user-pays pricing system. Council adopted these recommendations and introduced the changes to wastewater pricing from July 2003. The changes included a service charge with an allowance that reduces over a three-year transitional period to minimise the impact on customers.

Usage-based charging allows the consumer to control consumption and therefore charges. Reduced consumption also contributes towards positive environmental outcomes.

Geographic information management

In response to community and industry interest in the new planning scheme – *Our Living City*, Council developed a number of initiatives to improve community consultation and provision of planning scheme information to the community in the lead up to the scheme's introduction from 18 August 2003.

The initiatives included the development of the Integrated Spatial Information Tool (ISIRT) and the development of Property Enquirer, an internet-based product. ISIRT enables stakeholders to efficiently analyse and map new planning scheme intentions as they relate to property within the City. Property Enquirer provides stakeholders with worldwide access, via the internet, to the Gold Coast Planning Scheme intentions.

Integration of Local Agenda 21 with the new Corporate Plan

Local Agenda 21 (LA21) has been established by the United Nations and adopted by Councils around the world. An LA21 is a local action plan for sustainable development, created via a process where all groups in society have actively participated in its development and implementation.

The intent of this project was to align Council's LA21 commitment with the review of the Corporate Plan, Council's key corporate governance document. Integrated in the new Corporate Plan is Council's plan for the development of an ecologically sustainable future for the City. The new Corporate Plan is aligned with contemporary models of governance, which acknowledge the importance of Ecologically Sustainable Development (ESD) to the future wellbeing of the City.

The key benefit to the Community is that Council's corporate activities will be directed by a corporate plan aligned with contemporary and best practice models of governance, therefore enabling ESD.



Snapshot of the GCCC home page

Key performance indicator

Number of Gold Coast City Council website hits

Year	Hits
1999-2000	66,000
2000-2001	152,336
2001-2002	407,409
2002-2003	819,248

Analysis:

Utilisation of Council's website reflects in part the community's expectation for the provision of information in electronic format. The target of a 30 percent increase for the year was well exceeded with 819,248 visits, a 101 percent increase over the 2001-2002 visits, which totalled 407,409.

Council's website is one tool used to great effect to keep the community better informed of Council's activities and to improve accessibility to information in keeping with Council's External Communication Strategy. The site's content, information, features and activities continue to be improved. At launch, the site contained about 400 pages. It now has more than 2,800 pages.

The site has a number of popular features that have been successful in attracting visitors and increasing monthly website traffic from 9,000 visits in February 2001 to a high of almost 97,000 visits in May 2003. The site has given wider access to Council services and continues to promote Gold Coast City internationally, drawing 34 percent of visits from overseas. Popular features include the Events Calendar, Cultural Directory, Online Payments, Online Minutes and Agendas, Youth Online, Gold Coast Suburbs, iQuest (Library) and the Tourism Branch page.

THE NEW CORPORATE PLAN IS ALIGNED WITH CONTEMPORARY MODELS OF GOVERNANCE, WHICH ACKNOWLEDGE THE IMPORTANCE OF ECOLOGICALLY SUSTAINABLE DEVELOPMENT (ESD) TO THE FUTURE WELLBEING OF THE CITY.

Natural Arch, Gold Coast Hinterland

Identifying and supporting the City's multicultural community



Creating opportunities for local sport



Promoting local art

CORPORATE OBJECTIVE 1.3 COMMUNITY DEVELOPMENT

IDENTIFY, SUPPORT, PROMOTE AND CELEBRATE THE UNIQUE SOCIAL NETWORKS, CULTURAL AND ARTISTIC QUALITIES, AND SPORT AND RECREATION OPPORTUNITIES OF THE PEOPLE LIVING ON THE GOLD COAST.

Meeting the social needs of the community is being addressed with the creation of an ambitious plan for the whole Gold Coast region that has been well received by the public. Community centres, parks, arts funding, libraries and support for diverse cultural groups have all developed extensively throughout the year. Council's performance in implementing its corporate objective of 'community development' during the year is demonstrated by the following actions:

Social plan for the City

Development of Council's first whole-of-city social plan is under way. Stage 1 of the plan — a draft report — is complete. The plan will provide direction for Council's investment in social development to progress Council's objective of ecological sustainability.

Development of the first stage of the plan has generated considerable community goodwill.

Gold Coast Convention and Exhibition Centre

Council is coordinating the development assessment and compliance for the State Government-funded Gold Coast Convention and Exhibition Centre (GCCEC).

Construction is well advanced, on target and in accordance with the approvals issued for the GCCEC at Broadbeach.

On completion, the GCCEC will provide an international standard conference and entertainment venue for Gold Coast.

Site identified for future Carrara community centre

A site was identified within Allen Nielsen Park, Nielsens Road and an initial design concept completed for the proposed construction of a Carrara community centre.

The centre, to be completed by March 2004, will benefit the local community by meeting the recreational and social needs of the area.

Further development of multi-purpose playing fields at Coomera Sports Park

Queensland Government's Local Government Development Program provides financial assistance to councils for recreation planning and participation, and to develop places to increase participation in sport and recreation. Funding was approved to further develop multi-purpose playing fields at the Coomera Sports Park (Stage 2). Council matched the funding.

The funds were used to construct two fully irrigated rugby fields. The project provides improved opportunities for sport and active recreation and government funding has enabled Council to provide a greater range of facilities than would otherwise have been possible.

Master plan for Pizze Park

A master plan for Pizze Park was developed to provide a guiding document for future development and improvements. Council adopted the Pizze Park plan in July 2002 following extensive stakeholder and community consultation.

The plan will enhance sport and recreational opportunities and will improve safety through improved vehicle and pedestrian access and planned development of existing and future infrastructure.

Joint development at Pacific Pines State High School

Education Queensland, Stockland Trust Group Developers and Council embarked on a joint community centre development at Pacific Pines State High School, following overwhelming support in the community consultation process. It is considered the Pacific Pines Community Centre, now completed, will have a positive impact on the school and the wider community. The opportunity to enter into a joint development agreement for a substantially superior facility has benefited the whole community.

Eagleby Community Renewal Program

The Community Renewal Program is a partnership between the Queensland Government, local councils and communities earmarked for renewal, to increase safety, security, pride and confidence. The program is part of the government's Crime Prevention Program and is led by the Department of Housing.

Sport and Recreation Queensland received funding from the Department of Housing to develop a Local Area Physical Activity Plan (LAPAP) for the Eagleby Community Renewal Area. Due to Council's close involvement over the past two years, it has been asked by Sport and Recreation Queensland to administer the funds for the project and to coordinate projects under the Eagleby Community Renewal Program.

The first stage development of Eagleby Wetlands included pathways, picnic gazebos and park improvements. The Eagleby LAPAP will have continuing benefits for the community by identifying and implementing a range of quality facilities and physical activity initiatives.

Improvements at Logan River Parklands

Under the Queensland Government's Local Government Development Program, funds were approved to construct the first stages of multi-use pathways in the Logan River Parklands, Beenleigh. These parklands are a staged development site for major regional parklands in the northern part of the City.

As part of the master plan, multi-use pathways have been constructed. The pathways cater for both pedestrians and cyclists and have been established giving consideration to future connections with bikeway networks. The pathways provide an alternative to using busy roads and have been completed utilising 50 percent Council funding and 50 percent government contributions. The balance of the funds are set aside to complete services e.g. sewer mains, water and power for the new toilet facilities programmed for construction during September and October 2003. The project has provided improved recreational opportunities for the Beenleigh community.

Community Garden Project

Council has been given support to construct and manage the Community Garden Project. The garden is to be known as the *Goombah – garden for growth* and will be created at Council's Coombabah Nursery. The project is fully funded by Queensland Health's Home and Community Care (HACC) program and the Department of Veterans' Affairs. The program is aimed at the frail aged and people with a disability.

This project is expected to begin in 2003-2004. It will provide an outdoor respite service through a new and innovative model.

Regional Arts Development funding secured for the next three years

Gold Coast City Council and Arts Queensland signed an agreement in August 2002 for administration of the Regional Arts Development Fund (RADF) Program for the Gold Coast region. Under this agreement, Arts Queensland has committed \$50,000 annually for three years, subject to Council providing matching funds. This will enable Council to implement its Gold Coast Cultural Development Policy and Plan 2001-2020.

The program is designed to support and promote cultural and artistic development within the community by accessing Queensland Government funding that had previously been available to every other region in the state.

Assessment of culturally diverse organisations

Council developed a Needs Assessment Report of Culturally Diverse Organisations of Gold Coast to meet funding agreement requirements. The assessment was fully funded by Multicultural Affairs Queensland and the Department of Premier and Cabinet to meet local needs.

The completed assessment has enabled Council to identify and support the City's multicultural organisations and groups and gather information to enhance opportunities for the City's multicultural community.

Proactive approach to impact of drought on grassed areas

The reduced mowing of grassed areas under Council's control during the drought that persisted in 2002-2003, resulted in considerable savings of resources in grassed area maintenance. The majority of this saving was redirected to support additional efforts to maintain landscaped areas suffering from the drought.

Expert management of the City's parks and reserves ensures the highest standards in the presentation of these areas and contributes to the profile of Gold Coast as an enjoyable place for locals and visitors.

Hinterland Regional Park

The staged development of the Hinterland Regional Park at Hardys Road, Mudgeeraba, will create a major regional facility offering recreational space for the growing areas of Robina and Mudgeeraba and for visitors and the wider community.

The continuation of an access road, additional car parks, picnic facilities and barbecues was achieved during 2002-2003. The first suite of facilities provides improved access to this new regional park and caters for family and group picnics.

Corporate Objective 1.3



New Nerang Library under construction

New Southport Library

The new Southport Branch and Local Studies Branch libraries opened on 22 July 2002 in a combined facility at the corner of Garden and Lawson streets. The facility replaced the former library, which was too small for the population of the area and escalating use.

The new library building will accommodate growth over the next decade and provide residents with leading-edge public library services. Southport’s history and development is captured in the extensive collection of materials in the Local Studies Library, also in the building. The facility has exceeded expectations in terms of community use since it opened.

New Nerang Library construction under way

The current Nerang Library at Council’s Nerang Bicentennial Centre is inadequate to serve the needs of its users. Land acquisition and design for a new library in central Nerang has been completed and construction is under way. The new state-of-the-art library on the corner of Price and White streets should be completed by late September 2003.

The library will cater for growth in the Nerang and Molendinar area and incorporate additional facilities.

Key performance indicator

Library management						
	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
Total active members as % of population	42.29%	48.67%	39.58%	46.41%	51.90%	41.40%
Total library loans	3,817,059	4,223,709	4,137,472	4,519,223	4,908,647	5,201,030

Analysis:

At 30 June 2003 there were 181,716 registered members of Council’s 14 branch libraries. As a percentage of the population the figure represents a decrease in comparison to the previous year. However, 36,756 new members were registered during 2002-2003, an increase of 25 percent on the 29,485 new members registered during 2001-2002.

The lower percentage is related to the high population increase in Gold Coast and the rigorous purging of inactive member records before implementation of the new library management system, iQuest.

More than 141,600 new items were added to the library collection in 2002-2003. Continued culling to ensure informational accuracy and currency of resources has resulted in almost as many resources being removed as new ones being added to the collection. Total loans increased by 5.96 percent on 2001-2002.

CITY OBJECTIVE

2

HEALTHY ECONOMY

MANAGE, BROADEN AND STRENGTHEN THE ECONOMIC AND EMPLOYMENT BASE OF THE REGION BY ENCOURAGING ENTERPRISE THAT IS SUSTAINABLE AND APPROPRIATE TO OUR ECONOMIC FUTURE.



Implementing the City Transport Plan



Southport Library

CORPORATE OBJECTIVE **2.1** WELL-MANAGED CITY

EFFECTIVELY REPRESENT THE GOLD COAST COMMUNITY AND PROVIDE EFFECTIVE MANAGEMENT OF SERVICES AND INFRASTRUCTURE.

Transport management continued to be a priority of Council's infrastructure management for its rapidly growing City, including the continued implementation of the City Transport Plan, a light rail study, new roads through Surfers Paradise, bikeways and recreation trails. Water management, improved office efficiency and safety standards are among cost-saving action undertaken by Council in managing its services. Council's performance in implementing its corporate objective of 'well-managed City' during the year is demonstrated by the following actions:

Light Rail Feasibility Study

During 2002-2003 Council played a leading role in a joint feasibility study with the Commonwealth and Queensland governments, to determine the feasibility of a light rail system for Gold Coast.

The study began in mid-2002. To date, the study has shown the need and justification for improved public transport in Gold Coast City. A corridor from the railway line at Parkwood east to Southport and along the coast to Broadbeach has been highlighted as the most promising area for an improved service using light rail technology.

Subject to the necessary government approvals and funding arrangements, the introduction of light rail should bring significant travel benefits for users of the system, and long-term infrastructure support for new developments along the corridor.

There will also be significant environmental and social benefits, as well as tourism and lifestyle gains from reduced traffic demands of the existing road system along this route.

Whole-of-City Vehicle Parking Plan

The ability to provide parking at major destinations is one of the keys to improving economic activity in the City.

The development of a Whole-of-City Vehicle Parking Plan was identified in Council's operational plan. The parking plan is nearly ready and is due for presentation to Council early in 2003-2004.

The development of the plan will provide additional direction and structure to the provision and management of Council's on and off-street parking and help ensure desired outcomes.

Implementing the City Transport Plan

Council has worked in 2002-2003 with the Queensland Government's Department of Main Roads (Main Roads), other Queensland Government agencies, developers and the community to provide an improved road system for Gold Coast. Main Roads and Council are the two agencies responsible for the majority of roads in Gold Coast City. Together they have continued to implement the City Transport Plan through the progressive development of new and improved roads and associated facilities across the City. This task is undertaken in the context of the availability of funds, which constrains the ability of the Queensland government agencies to program and undertake all the desired works at their optimum time.

Main Roads and Council undertook joint planning and development studies to ensure local area improvements could be made to the road system as new private development initiatives came to fruition. Examples of this included the 'Seachange' development at Southport, and several major developments at Burleigh Heads.

The community benefits from such initiatives through an improved road system meeting the needs of new developments. There are also benefits in coordinating works, minimising costs and gaining private sector contributions to the costs of the works.

Land Development Guidelines review

Council's Land Development Guidelines provide a minimum standard for development works. The guidelines are used by Council and consultant professionals to improve the planning, design and construction of civil works. Consultation for review of the guidelines was undertaken in 2003 between Council, Civil Contractors Federation, Gold Coast Consulting Engineers Group and the Urban Development Institute of Australia.

The reviewers reached agreement on proposed amendments and Council will adopt the 2003 Land Development Guidelines Edition so it can be incorporated into the first round of amendments to the new Planning Scheme.

Libraries refurbished

Council refurbished two branch libraries during the year. The Runaway Bay Branch Library underwent refurbishment and the Burleigh Waters Branch Library customer service area was redesigned.

These works significantly improved the service capacity and customer service environment of the libraries as well as ensuring efficient management of the City's resources/assets.

Accommodation Project

The existing Council office facilities at Nerang and Evandale administration centres are overcrowded and need upgrading to provide efficient and productive work spaces. During the year construction began on a new Civic Focus Building at Evandale, which will accommodate the mayor and councillors, allowing more efficient use of the Nerang administration centre for office space. Concept design for the redevelopment of both administration centres has been completed for construction to begin in late 2003.

The project will provide the facilities required for Council staff to give improved service to customers.



Mapping of City's cemeteries

In order to comply with Queensland Government legislation and to simplify cemetery analysis, planning and reporting, Council's cemeteries and gravesites were digitally mapped.

The mapping will be used as a customer service tool. It allows field staff and the public easy access to and navigation of the City's cemeteries and helps Council staff with rapid reporting features and electronic record keeping.

Strategy for recreational trails

Council has endorsed the Recreational Trails Strategy. It provides a conceptual framework for the future consideration of possible trails for horse riding, walking and mountain bike riding. It was developed in response to calls from the community and will guide the planning, development and management of recreational trails across the City. The strategy provides the conceptual framework for the development of a well-planned and managed network of trails in natural settings for a variety of user groups.



Robina swimming pool



Surfers Paradise Traffic Management Scheme



Improving wheelchair access

Audit of public pools

A Strategic Aquatic Facilities Review including condition audit of Council's pools was completed and has provided guidance for the future development and management of these facilities over the next 10 years. Such planning provides for suitable access to aquatic facilities across the City and is responsive to the community's needs.

Improved public amenities across the City

Council expanded its network of public conveniences by six, during the year in response to the need for additional conveniences to support the growth and increased popularity of certain City areas. The conveniences are at:

- Narrow Neck, Main Beach
- Corner of Elkor Avenue and the Esplanade, Surfers Paradise
- Davenport Park, Bonogin Valley
- Betty Diamond Sports Park, Tugun
- Hinterland Regional Park, Mudgeeraba
- Washington Waters Park, Southport

Design of the conveniences employed *Crime Prevention Through Environmental Design* principles. The provision of these facilities enables visitors to remain at their favourite sport or recreational area for longer.

Property rationalisation

A systematic review of all Council properties is being undertaken to identify those surplus to Council's needs. These properties are being sold progressively.

The income from all property sales (\$1.3 million for 2002-2003) is used to buy land for future public facilities. Property worth \$2 million is earmarked for sale in 2003-2004.

Extra cleaning crew for City's waterways

A fourth cleaning crew was appointed to service natural waterways in the north of the City. Removing litter and debris from the foreshores will improve the health and cleanliness of waterways and increase amenity. This initiative will be complemented by others to control sources of pollution.

Surfers Paradise Traffic Management Scheme - Stage 1

Stage 1 of the Traffic Management Scheme is the latest component of the Heart of the City Project to be completed. The project is renewing and upgrading infrastructure to reverse economic decline in Surfers Paradise. The aim of Stage 1 of the traffic management scheme was to create a more efficient and safer environment for vehicles and pedestrians.

The former one-way Gold Coast Highway became the two-way Surfers Paradise Boulevard. Ferny Avenue between Clifford Street and Cypress Avenue became a two-way bypass for the tourism precinct. This highly complex project was completed on time and under budget.

The Heart of the City Project has revived confidence in Surfers Paradise. Many major developments are underway or in the advanced planning stage. This will result in further developer contributions to fund more works in the precinct.

New transport link to Gaven Arterial Road

Council constructed a transport link between Binstead Way and Maudsland Road, Gaven, at an estimated cost of \$9 million. This major roadwork was part funded by the Commonwealth Government's Roads to Recovery scheme. The completed project has provided a major link in Gold Coast's transport system and first class road infrastructure.

Little Nerang Road Bridge replaced

A bridge across Mudgeeraba Creek was constructed to replace a low level crossing that was regularly disrupted by flooding. The new bridge will ensure problems will no longer occur for residents who cross Mudgeeraba Creek on a daily basis.

Wheelchair Access Program

The Wheelchair Access Program implemented in 2001-2002 has continued during the past year with works in major central business districts of the City. The program includes reconstruction of footpaths, access ramps, kerb ramps and links creating networks.

A dramatic improvement in access has been achieved for all footpath users, in particular those with disabilities, in the relevant areas. In addition, Council's exposure to litigation due to accidents involving non-standard infrastructure has been reduced.

Construction of Nerang streetscape

Council initiated the Nerang Streetscape Master Plan in 1999 to improve the image, function and safety of the original central business district of Nerang. The Plan was jointly funded by Council, the Queensland Government Regional Centres Program, the Department of Main Roads and Energex (energy provider) at a total estimated cost of \$3.5 million. Council completed the streetscape construction works during the year.

The local community, retail trade and business services are benefiting from the project that saw Price, Lovell and Nerang streets undergo a facelift.



Enjoying Gold Coast bikeways

Implementation of bikeways network

The continued implementation of Council's 20-year Bikeways Network Plan resulted in 35km of on-road exclusive-use bicycle lanes, 13.2km of on-road advisory markers and 10.75km of shared-use off-road pathways being constructed during the year. The plan provides a comprehensive bicycle network through the City and offers residents a feasible and safe transport alternative and improved recreational opportunities.

Safety certification for Council

To maintain its self-insurance licence as a provider for Workers Compensation Insurance, Council embarked on the development and implementation of a Workplace Health and Safety (WH&S) Management System to Australian Standard 4801 - *Occupational Health and Safety (OH&S) Management Systems*. Successful introduction of this standard across Council will maintain its self-insurance licence and save money through reduced insurance cost.

In May 2003, Council's Engineering Services Directorate achieved certification to AS/NZS 4801. The achievement of certification will ensure internal OH&S practices are continually improved. The rest of Council is seeking certification over the coming year.

The successful introduction and certification to the Australian Standard will not only ensure compliance with government legislation but also improve the working environment by making it safer for Council employees.

Fitter Gold Coast Water employees

Gold Coast Water embarked on a *Fit for Life* project. This pilot project identified key health risks, their potential impact on business, and strategies to address these risks, including an ongoing *Fit for Life* program. The program has increased the health consciousness of employees who, it is hoped, will become fitter, healthier, happier and ultimately more efficient.

Improved water efficiency in parklands and playing fields

Irrigation is provided to many sites across the City to ensure parklands and playing fields remain useable and in good condition. Council's established Central Control Irrigation System (CCIS) now covers more than 60 sites. Control of irrigation systems connected to the CCIS can be achieved from computers at Council's administration centre or from depots or mobile phones.

In 2002-2003 significant gains in improved water-use efficiency and conservation were achieved through the early detection of leaks and by controlling output. The system continues to provide labour savings, as staff are not required to turn off systems manually during periods of rain. This now happens automatically at the press of a button.

Reduction for roads budget through best-practice maintenance
 About 100,000 tonnes of asphalt were laid to repair or reseal Council roads during the year using information from Council's Snowy Mountains Engineering Corporation (SMEC) Pavement Management System (PMS) software to maintain pavements to Council's standard. Council has been able to reduce its road rehabilitation and resealing budget by using this management technology without affecting the quality of its roadworks program.

The proposed budget for 2003-2004 was \$13.265 million. However, Council was advised that funding could be reduced to \$12 million without a reduction in standard because of the initiatives taken. The saving was allocated to other projects within the budget.



Road maintenance

Corporate Objective 2.1

Infrastructure grows as City grows

An alliance between an engineering firm and Gold Coast Water has created an Alliance Project Team to deliver infrastructure needs as part of the Coombabah Water Futures Project. The team is responsible for planning, designing, constructing, and commissioning relevant infrastructure including:

- the major sewerage transfer system in the Hope Island/Helensvale area;
- augmentation of the Coombabah Wastewater Treatment Plant (WWTP);
- the upgrade of the Coombabah WWTP Recycled Water Management System to accommodate catchment growth.

These works will ensure the maintenance of standards of service within the catchment area. The alliance enables efficient and innovative project delivery.

Long-term planning for water pricing

In response to National Competition Policy (NCP) and Queensland Competition Authority (QCA) guidelines and in accordance with sound financial management practice, Gold Coast Water developed a long-term financial model that identifies the full cost of water and wastewater service delivery, analyses various recurrent and infrastructure charging strategies and generates financial outputs for internal management and external reporting purposes.

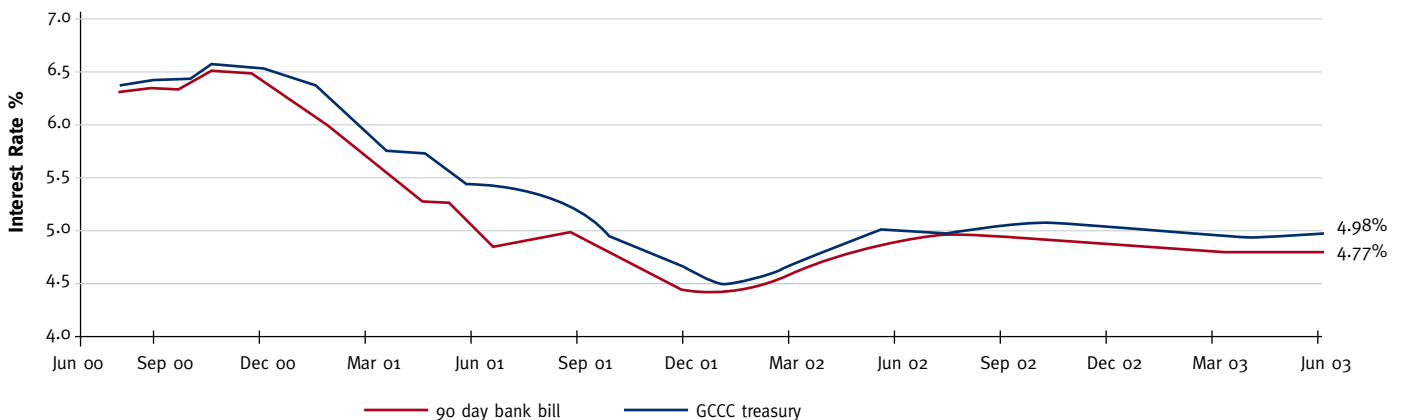
The model is still being refined, but it has already started to provide useful financial reports, ratios, and financial performance measures resulting in sound investment and pricing decisions based on better financial information.



Coombabah Wastewater Treatment Plant

Key performance indicator

Rate of return on invested funds
GCCC treasury interest rates earned v benchmark
 (90 day bank bill swap rate)



Analysis:

Council uses a cash management strategy to ensure surplus funds are invested on a short to medium-term basis to maximise revenue by earning additional income. The rate of return achieved by Council's Treasury Section has consistently exceeded the 90-day bank bill rate during 2002-2003. Council's rate of return averaged 4.98 percent over the 12 months or 0.21 percent more than the average 90-day bank bill rate. This margin translates to an additional \$410,000 revenue for the year.

This investment income goes into Council's general revenue, which is taken into consideration when determining the level of rates and charges each financial year.



Gold Coast Marine Precinct



Surf industry development plan



Innovation House, Varsity Lakes

CORPORATE OBJECTIVE 2.2 PROSPERITY

BROADEN AND STRENGTHEN THE ECONOMIC AND EMPLOYMENT BASE OF THE REGION, AND SUPPORT ENTERPRISE.

Council continues to improve commercial and employment opportunities by developing access to existing business areas and seeking innovative new businesses, especially in technological industries. Major work has been undertaken in planning extensions to the highly successful Gold Coast Marine Precinct, Robina Town Centre, Varsity Lakes and Yatala business districts, and in developing the surf industry, biotechnology education and broadband access. Council's performance in implementing its corporate objective of 'prosperity' during the year is demonstrated by the following actions:

Gold Coast Marine Precinct – northern access road

A detailed planning study has been completed for a new northern access road for the Gold Coast Marine Precinct at Coomera because existing access will be inadequate in the long term to sustain the growth of this highly successful precinct.

An application has also been made to the Queensland Government for funding. The new road will:

- improve road freight distribution by providing access that is more direct to the Pacific Motorway.
- reduce the number of heavy vehicles using Beattie Road, which will improve safety for Coomera State Primary School and residents.
- improve access to Coomera Railway Station.

Gold Coast Surf Industry Development Plan

The surfboard manufacturing industry has been identified as a billion-dollar-a-year international industry, yet Gold Coast manufacturers currently have a small share of the total global market. Council therefore developed the Gold Coast Surf Industry Development Plan.

Federal Member for McPherson Margaret May and Deputy Mayor Cr Alan Rickard launched the program on 26 February 2003. Initiatives to increase international exports of locally manufactured surfboards are now being implemented. By focusing on areas such as export development, employment initiatives and environmental management, the Gold Coast surfboard manufacturing industry can establish itself as a world leader.

More jobs thanks to Varsity Lakes

A planning partnership between Council and the private sector was undertaken to ensure the Varsity Lakes project preserved employment opportunities while balancing the developers' desire to produce residential outcomes.

The partnership ensured opportunities for 4500 workers on land adjacent to Bond University. To date the Varsity Central Precinct within this project has delivered about 1000 jobs. The development is providing a successful mixed-use urban environment with cooperative opportunities for academia, business, government and the local community.

Corporate Objective 2.2

Extension of Christine Avenue, Robina

Council initiated and coordinated a public/private funding partnership to extend Christine Avenue to Robina Town Centre, bringing forward construction and saving Council about \$1 million in capital works.

Christine Avenue now links the Burleigh/Varsity Lakes communities with major employment, retail and administrative services at Robina Key Regional Centre.

Robina Key Regional Centre

Council is administering development assessment and compliance for Robina Key Regional Centre. Development controls are outlined in the *Local Government (Robina Central Planning Agreement) (RCPA) Act 1992*.

Council is working closely with major developers of the centre to ensure the timely delivery of a quality built environment with due regard to the RCPA Act. The Robina Town Centre and surrounding land is now successfully materialising into a vibrant regional centre with employment, retail, administrative, cultural and entertainment opportunities and facilities.

Broadband solution for Yatala Precinct

To identify the need for broadband access for business and industry in the City, Council's Economic Development Branch undertook a pilot project to assess demand in the Yatala Industrial Precinct and to help provide broadband services.

Businesses in the Yatala precinct can now access broadband in a cost effective manner. This model for broadband services is expected to be used in other Pacific Innovation Corridor precincts across the City.

Mayor's Secondary School Principals' Conference

The Mayor's Secondary School Principals' Conference, launched by the Honourable Anna Bligh, Queensland Minister for Education and hosted by Mayor Gary Baildon, was held at the Pacific Pines Community Hall on 9 April 2003. The theme of the Conference for 2003 was *Education and Training Reforms for the Future — A White Paper*. The conference created awareness of issues faced by schools regarding vocational education and employment, and generated stronger links between state and independent secondary schools.

The conference was a success, with the Minister commenting that Gold Coast was the only region to have taken the initiative to discuss education and training reforms and their impact on the community.

South Coast Biotechnology Education Project

Council contributed funds to the establishment of the South Coast Biotechnology Centre at Robina State High School to deliver biotechnology courses to primary and secondary students and teachers. The centre will create a pathway for biotechnology studies with the Centre of Glycomics at Griffith University. The South Coast Biotechnology Education Project will integrate biotechnology into the mainstream curriculum of schools across several subject areas and establish mutually beneficial links with tertiary institutions and industry groups.

The project will establish Gold Coast as Australia's primary region for best-practice biotechnology education for students and teachers, raising the City's profile as an education provider and creating jobs in an emerging field of technology.



Aerial shot of Yatala Precinct

Yatala Business Program

In November 2002 businesses from the northern suburb of Yatala attended a Council event identifying initiatives, opportunities and assistance available across government agencies.

The event resulted in a series of events designed by Council to encourage supply-chain development, export opportunities, increased business connections between Yatala businesses and to identify business development opportunities and initiatives.

Key performance indicator

Number of business development enquiries facilitated/assisted and number of business initiatives/programs facilitated, focusing on Council's Economic Development Strategy core industry sectors

Year	Business development enquiries facilitated	Business initiatives/programs facilitated
2002-2003	500	51

Analysis:

Five hundred business enquiries were facilitated/assisted by Council's Economic Development Branch during 2002-2003. These enquiries varied from local businesses seeking assistance and information to develop their business, to national and international companies seeking information about Gold Coast from an investment attraction perspective.

The Branch also coordinated or was involved in the development of 51 business events or programs during 2002-2003. Events included:

- Canberra Roadshow — to raise specific federal-level issues pertinent to the continued economic growth of the City (refer to page 62 of this report).
- CeBIT Sydney — an Australian trade fair for the Information and Communications Technology (ICT) industry.
- Innovation Festival — conducted throughout Gold Coast showcasing innovation success and entrepreneurship.

The above figures are exclusive of the significant number of general enquiries Council's Economic Development Branch received. The figures represent only those business enquiries, initiatives and programs that were facilitated to an outcome. This is the first year this activity has been reported in this format.

CITY OBJECTIVE

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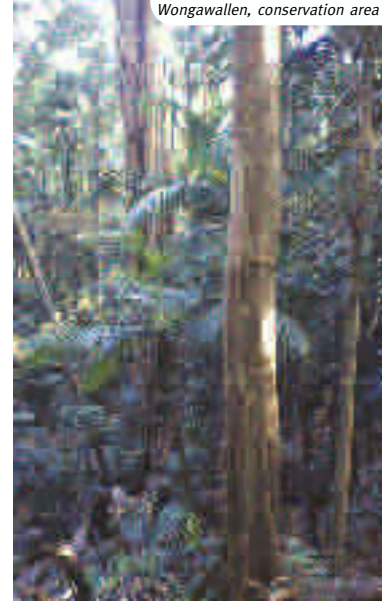
ENVIRONMENTAL SUSTAINABILITY

CONSERVE THE NATURAL ENVIRONMENT, MAINTAIN BIODIVERSITY,
PRESERVE CULTURAL HERITAGE AND CREATE A FUNCTIONALLY
AND VISUALLY DESIRABLE BUILT ENVIRONMENT.

South Stradbroke Island



Wongawallen, conservation area



CORPORATE OBJECTIVE 3.1 QUALITY NATURAL ENVIRONMENT

RECOGNISING THAT THE NATURAL ENVIRONMENT IS CRUCIAL TO OUR FUTURE, IDENTIFY, PRESERVE AND MAINTAIN A VIABLE ECOLOGICAL NETWORK THAT WILL SUSTAIN THE CITY'S DIVERSE ECOLOGICAL COMMUNITIES, IDENTIFY AND ENHANCE DEGRADED NATURAL ECOSYSTEMS AND REDUCE THE IMPACTS OF DEVELOPMENT ON ECOLOGICAL PROCESSES.

Major steps forward in planning the management of the City's water supply and in planning flood management have been made in the wake of the worst Gold Coast drought on record. Improvements have been made to numerous catchments, the City's key environmental asset — its beaches — has come under scrutiny in a protection strategy, and growth, sustainability, greenhouse gas emissions and environment management have all been addressed. More open space has been added to the City's growing environmental capital. Council's performance in implementing its corporate objective of 'quality natural environment' during the year is demonstrated by the following actions:

South Stradbroke Island Management Plan

In response to environmental risk management requirements, Council revised and began implementing the South Stradbroke Island Management Plan.

Future revision of the adopted plan is to be continued through the newly formed South Stradbroke Island Advisory Committee. The plan will ensure increased and necessary provision of environmental risk management vital to the region's future.

Catchment management

Key elements of this year's catchment investigations included development of environmental values, establishment of water quality objectives, ecosystem health assessment, water pollution modelling, creek-bank erosion issues and riverbank surveys for the following:

- Coomera River;
- Currumbin Creek;
- Mudgeeraba and Worongary creeks;
- Coombabah Creek;
- Saltwater Creek; and
- Robina Lakes.

In a continuing program aimed at maximising community involvement in waterway management, Council's Catchment Management Unit organised potential development of three additional catchment groups:

- Coomera River;
- Currumbin Creek; and
- Reedy Creek.

This brings to nine the number of groups assisted by Council.

Gold Coast Waterwatch program continues

A key catchment management activity is the Gold Coast Waterwatch program. It is part of a national program fostering community participation in protection of our waterways. Several catchment groups have become involved in the program and it is now part of the curriculum for many schools.

This comprehensive water-quality monitoring program for the City's waterways has shown the majority of monitored sites maintain a standard that complies with national water-quality guidelines for the protection of aquatic ecosystems.

Residents' concern leads to Council solution

Lake Bienvenue in Council parkland off Bienvenue Drive, Currumbin, has been a source of resident concern because of silting and water quality.

The completion of a catchment study has provided guidance for Council to undertake works at the lake in the near future. The study has provided the community with an informed method and approach in dealing with a complex issue that needs to consider water quality and other environmental matters.

Beach Protection Strategy

Council has been developing beach protection strategies and foreshore access plans to prepare beaches and foreshores for possible erosion events. The plans also address the demand from a rapidly expanding population for foreshore facilities.

To date the North Gold Coast Strategy has been completed. Palm Beach is under construction and Burleigh Beach is under development. Measures are being taken to widen beaches to withstand a one-in-50-year erosion event.

The strategies and plans improve security against erosion and improve beach recreation facilities.

Certified environmental management system

Gold Coast Water's Environmental Management System was recertified by a third-party audit organisation as meeting the requirements of international standard *ISO 14001 Environmental Management Systems – Specification with guidance for use*. This certification enables Gold Coast Water to function with confidence that its operations are managed to minimise impacts on the natural environment.

Sustainability report

The 2002 Sustainability Report on Gold Coast Water's environmental, social and economic performance has been published for distribution to stakeholders. It is to be nationally benchmarked against other Australian sustainability reports by a third party.

Publication of the sustainability report provides Council stakeholders with an understanding of Gold Coast Water's triple bottom line approach to business management, and confidence that sustainability issues are being addressed.

Reducing greenhouse gas emissions

A greenhouse gas inventory checklist and an issues paper into options for, and feasibility of, Gold Coast Water generating its own green energy were completed. Projects have been identified to reduce greenhouse gas emissions via the implementation of environmentally friendly energy alternatives.

Planning for the future of the City's water

In response to the worst drought on record, Gold Coast Water embarked on the Pimpama Coomera Water Futures project. The project's aim is to develop innovative, smarter, integrated solutions to manage the City's water services including water supply, wastewater management, recycled water management and stormwater management.

It is anticipated that in consultation with the community and key stakeholders the project will deliver a master plan that could lead the way for the rest of Australia. Implementing the master plan would see Gold Coast with the most water-friendly homes in Australia and reduce greenhouse gases through improved design for the transport and treatment of water and wastewater.

Rehabilitation of Carrara catchment

About \$2 million was spent during the year on Council's Carrara Catchment Urban Stormwater Initiative to clean up stormwater quality in the Carrara catchment. The project is showing positive results and benefits for residents across a wide area.

As part of the project more than \$600,000 of rehabilitation works were undertaken at Waterbird Park Lake and Wetland, which has beautified the area, reduced nitrogen concentration and improved the quality of stormwater draining into the City's major waterways. The project was a finalist in May 2003 in Australia's most prestigious environmental awards – the Banksia Environmental Awards.

SEQ2021 Review the Regional Framework for Growth Management

In partnership with the 17 other south-east Queensland (SEQ) Councils and the Queensland Government, Council is undertaking a three-year review program to develop a vision and action plan for the management of growth in the SEQ region to 2021.

The major outcomes of SEQ2021 are expected to be a new regional plan, and innovations in institutional arrangements, legislative changes, regulatory changes, infrastructure provision and service delivery across the SEQ region to achieve the agreed vision for the future. The benefit will be in achieving future development that meets the needs of all stakeholders.

Open Space Preservation Levy Acquisition Program

The Open Space Preservation Levy Acquisition Program seeks to acquire the most ecologically significant land on behalf of the community to create a viable ecological network throughout the City.

Phase 1 of the program was completed in 2002-2003. More than 2350 hectares of ecologically significant land was retained for about \$20 million during Phase 1. Council has endorsed Phase 2 of the program, which in 2003-2004, will see \$12.3 million of acquisitions made that will be important for the retention of the City's open space values.

These acquisitions have added the missing pieces to fragmented holdings, enabling Council to consolidate significant areas of existing open space ecological networks. This will enable more effective management of the network and improve viability.

Corporate Objective 3.1



Tree planting by school children

Key performance indicator

Number of hectares of land supporting natural vegetation, protected by means other than through development approval dedication, expressed as a percentage of the total City (post-June 2000)

Year	%
2000-2001	.42
2001-2002	1.24
2002-2003	0.12

Analysis:

Council's Nature Conservation Strategy protects valuable escarpment and wildlife habitat for a variety of species. This performance indicator is a measure of its progress. Of the City's total land area of 145,000 hectares, 178.5 hectares, or an additional 0.12 percent was acquired for protection during 2002-2003 for more than \$1 million. These acquisitions finalised Phase 1 of the Open Space Preservation Levy Acquisition Program and consisted of:

- 52 hectares at Austinville adjoining acquisitions made in previous years known as the Austinville Conservation Area;
- 26.5 hectares at Clagiraba consolidating the Clagiraba Conservation Area;
- 100 hectares at Bonogin consolidating the park holdings. The site is now known as the Bonogin Ridge Conservation Area.

Key performance indicator

Number of hours provided by volunteers in Council's Beaches to Bushland Program

Year	Hours
2001-2002	5,805
2002-2003	5,581

Analysis:

Volunteers learn basic skills such as plant identification, tree care and establishment. Activities undertaken include tree planting, weed control, mulching, seed collection and watering. The volunteers come from all walks of life and age groups. For example, some are group/community-service based such as scouts and schools; many are individuals who have an appreciation of their local parkland and just want to help and become involved; and occasionally a corporate organisation will ask to include their staff in a community activity as part of a team-building training exercise.

The volunteer activities during Weed Buster Week in October and various holiday activities over Christmas contributed to the number of hours. Overall, the hours and projects during 2002-2003 reduced significantly in the earlier part of the year due to effects of the drought. However, following rainfall in the latter part of the year, there was an improvement in the soil moisture conditions and the activities increased. Participation by volunteers in a number of revegetation projects has enhanced the habitat and conservation values of degraded natural areas. Such programs foster community pride and ownership of public space.

Urban design integrated with the natural environment



Top right and above - Burleigh Heads - Centre Improvement Program

CORPORATE OBJECTIVE 3.2

QUALITY BUILT ENVIRONMENT

ENSURE THAT ALL DEVELOPMENT AND REDEVELOPMENT ACTIVITY IS INFORMED BY A HIGH STANDARD OF DESIGN AWARENESS, RESPECTS EXISTING ENVIRONMENTAL AND CULTURAL CHARACTER AND WHERE APPROPRIATE ENCOURAGES THE CREATION OF NEW URBAN LANDSCAPES THAT ARE CHARACTERISED BY VITALITY, INTEREST AND VISUAL AND FUNCTIONAL ATTRACTIVENESS.

The most ambitious and far-reaching planning scheme in the City's history was adopted, plans to improve numerous suburban centres were turned into actions, and a campaign to improve urban design through the development industry and community awareness was undertaken. Council's performance in implementing its corporate objective of 'quality built environment' during the year is demonstrated by the following actions:

New Gold Coast Planning Scheme – Our Living City

Council adopted a new town planning scheme that conforms to the Queensland Government's requirements of environmental sustainability, legibility and coherence, on 6 June 2003. The scheme, effective from 18 August 2003, provides confidence for residents, businesses and major infrastructure providers in the City's growth over the next six to 10 years.

This *Integrated Planning Act (IPA)* compliant scheme ensures development within the City is equitable, environmentally responsible and economically viable. The scheme can be viewed at Council's administration centre at Nerang and at all Council Libraries.

CDs can be purchased from all Council offices and the printed version can be bought at Council's Nerang, Surfers Paradise, Beenleigh and Coolangatta Customer Service Centres.

Urban design awareness

The management of the City's growth requires better design solutions for built and modified natural environments to achieve a sustainable city. Council's Urban Design Strategy involves raising design awareness in the development industry and the community. Implementation of the strategy started during the year with the provision of an education program incorporating regular and short notice seminars for staff, councillors and the development industry. This is supported by the biennial Urban Design Awards.

Improvements in the built environment are already evident through developer support for better design outcomes. Gold Coast developments are now winning commendation at the Queensland level. The strategy will continue to be implemented in the coming year.

Corporate Objective 3.2

Infrastructure Charges Evolution (ICE) Project

During the year a Priority Infrastructure Plan was being prepared to meet Queensland Government requirements for the servicing of development areas for a period not less than 10 years ahead. The development of Council's ICE project in accordance with the government's requirements ensures adequate infrastructure (sewerage, water, open space, stormwater drainage and local roads) is available to the community when it is required and at a price that is equitable and viable.

The project will provide certainty in the availability of essential infrastructure for development in existing and new urban areas throughout the City.

Centre Improvement Program

Council aims to enhance suburban centres and main streets across the City through its Centre Improvement Program. The program does more than just plan streetscape works - it is a catalyst for physical, economic and social revitalisation of the City's many and varied centres. Each streetscape project includes extensive consultation with local property and business owners, the development industry and the community to achieve a shared vision.

It is an ambitious five-year program that in 2002-2003 achieved:

- Beenleigh - completion of Stage 1 of the Beenleigh Urban Revitalisation Project;
- Burleigh Heads - urban improvement works Connor Street
- Currumbin Stage 1 - footpath, seating and planting along foreshore area;

- Broadbeach Masterplan - masterplan for core commercial and tourist residential area incorporating the Convention and Exhibition Centre, Casino and Pacific Fair Shopping Centre;
- Southport - commencement of planning for improvement works Scarborough and Short streets, construction planned for 2003-2004; and
- Miami - commencement of planning for Centre Improvement Project, construction planned for 2003-2004.

Maintaining Gold Coast's heritage

Every year Council undertakes essential preservation and maintenance works to heritage buildings for which it is custodian. Preservation and improvements were carried out during 2002-2003 at the following heritage/cultural buildings:

- Potters and sculptors buildings at Benowa and Mudgeeraba;
- Old Post Office building at Mudgeeraba;
- Marj Shipman Hall at Coombabah.

These works ensure the long-term viability of Gold Coast's cultural and heritage structures is not jeopardised.

Hope Island Canal Project

Council is coordinating a public/private partnership for the development of the Hope Island Canal Project to alleviate problems preventing development.

Construction of a major canal and associated infrastructure is due to begin during 2003-2004. The benefiting landowners in the area will fund all works on the project.



Artist's impression, Beenleigh Cinema Complex, Beenleigh Mall

CITY OBJECTIVE **4**

NATIONAL AND INTERNATIONAL PROFILE

SUPPORT THE GOLD COAST'S POSITION AS A SUSTAINABLE
AND EXCITING TOURISM, EVENTS AND BUSINESS DESTINATION.





L-R: Tourists enjoying the Broadwater at Labrador and dining high above the City skyline

CORPORATE OBJECTIVE **4.1** TOURISM AND EVENTS

SUPPORT, ENHANCE AND PROMOTE TOURISM AND EVENTS AS THE MAJOR INDUSTRY IN THE REGION.

Council continued the successful development of this key industry. The first tourism strategy for the City was developed, and significant funding provided for key tourism organisations and events. Record high room rates and excellent room occupancy rates for the City prevailed despite it being one of the most challenging years for the global tourism market. Council's performance in implementing its corporate objective of 'tourism and events' during the year is demonstrated by the following actions:

Our Tourism City Tourism Strategy

In December 2002, Council adopted its first tourism strategy *Our Tourism City*. The strategy ensures that tourism industry growth meets the objectives of ecologically sustainable development and remains consistent with broader citywide planning.

Planning for tourism is now more integrated across Council to position tourism as part of the social fabric of the City as well as the major industry of Gold Coast.

\$2.6 million for tourism

Council continued to provide funding to the Gold Coast Tourism Bureau as the recognised regional tourism organisation. Council contributed \$2.6 million for 2002-2003 through its tourism levy.

During the year Council entered into a four-year agreement with the bureau to index future funding to the Consumer Price Index.

This provides the bureau with greater certainty about future funding outcomes and Council and the bureau can better manage long-term financial planning.

Continued funding for Cooperative Research Centre for Sustainable Tourism

Council provides \$100,000 funding annually to the Cooperative Research Centre for Sustainable Tourism (Griffith University) to improve tourism-based research and development in Gold Coast. This funding improves the quality of material available for strategic decision-making and supports the location of this internationally regarded research organisation in Gold Coast.

The City benefits from a focussed program of tourism research addressing issues of major social, economic and environmental significance.

Tourism web pages prove popular

The Tourism Branch web pages at www.goldcoastcity.com.au/tourism continue to be among the most popular at Council's website. They are rapidly evolving as a highly authoritative source of tourism research and information. The pages, established during 2001-2002, are a one-stop shop for a significant amount of information on the performance of the local tourism industry. They contain links to other tourism sites and Council-based information on community events, economic development, City initiatives and promotional information.

START GOLD COAST MARATHON 2002



Gold Coast Marathon 2002



Magic Millions Race Carnival

Signature events for Gold Coast

Council provides financial and in-kind support to major sporting and special events as approved by the Gold Coast City Council Events Advisory Committee. The newly created Special Events and Lifeguard Services Unit has enabled a clear focus and alignment of Gold Coast City Council efforts to support the many events held on the beaches, in the water or on adjoining parklands.

During the year the provision of support was successfully given to 48 events including the following major events:

- Australian Women's Hardcourt Championships - January
- Magic Millions (horse racing) - January
- Kellogg's NutriGrain National Surf Titles - February
- ANZ Ladies Masters (golf) - February
- Queensland and Australian Surf Life Saving Championships - March
- Quicksilver and Roxy Pro (surfing) - May
- Prime Minister's Cup (horse racing) - May
- Gold Coast Marathon - July
- Gold Coast Greek Festival - July
- Pan Pacific Masters Games - October
- Honda Indy 300 (car racing) - October

Sponsoring sporting and community events promotes Gold Coast as Australia's premier national and international tourist and sporting events destination. This enables the City to build on its economic strengths and opportunities.

Corporate Objective 4.1

Key performance indicator

Commercial room nights sold

Area	April 01-March 02	April 02-March 03	%Change
Gold Coast	3,152,032	3,082,414	-2.21
Queensland	11,627,953	11,821,700	1.67

Average takings per room night sold

Area	April 01-March 02	April 02-March 03	%Change
Gold Coast	\$106.45	\$109.75	3.38
Queensland	\$107.72	\$111.08	3.12

Occupancy rate

Area	April 01-March 02	April 02-March 03	Actual %Change
Gold Coast	65.10%	65.26%	0.21
Queensland	60.20%	61.50%	1.30

Analysis:

This data has been drawn from the Australian Bureau of Statistics (ABS) Survey of Tourist Accommodation. The most recent figures available are for the year ended March 2003, which are then compared to data for the year ended March 2002.

The statistics indicate that although the number of room nights sold decreased by 2.21 percent, this was offset by the increase in the average takings per room and room occupancy rate.

Gold Coast had a strong performance in terms of takings per room night sold, reaching an all time high of \$109.75, while occupancy rates remained stable at approximately 65 percent. Such a result indicates that yield has not been sacrificed to maintain the occupancy rates above 65 percent. A contributing factor to the decrease in the number of room nights sold is that the supply of rooms decreased.

The ABS reports that for the year ended March 2003, there was a decrease of 114,250 in the supply of room nights available in comparison to the decrease of 69,612 in room nights sold, hence the high yield and steady occupancy rate were achieved.

Typically, there are high numbers of room nights sold in January, low numbers in February and a slight recovery in March. This year however, the figures for each of these months were lower than for the same months in 2002 and March had lower numbers than February. These results could be linked to the beginning of the SARS outbreak in March, affecting the travel decisions of international visitors.

Key performance indicator

RACQ tourist park ratings for Council owned tourist parks

Broadwater	4.5
Burleigh	3.5
Jacobs Well	3
Kirra	4
Main Beach	4.5
Ocean Beach	4
Tallebudgera	4.5

Analysis:

The current ratings (out of five) have all been retained through the year.



Information Communications Technology Industry CD

CORPORATE OBJECTIVE **4.2** BUSINESS AND INVESTMENT

PREPARE, DISTRIBUTE AND PROMOTE INFORMATION IN APPROPRIATE WAYS TO ACHIEVE INCREASED INVESTMENT AND EMPLOYMENT ACTIVITY IN THE REGION.

The promotion of Gold Coast as Innovation City gathered pace, with a major mission to Canberra by Council's leaders and key staff to promote investment opportunities and highlight the funding needs of the City. Information communications technology progressed through the development of an electronic information pack and extensive promotion through media and travel organisations. Council's performance in implementing its corporate objective of 'business and investment' during the year is demonstrated by the following actions:

Launch of new Information Communications Technology Industry CD

The Honourable Paul Lucas, Queensland Minister for Innovation and Information Economy, launched a new CD Rom for Council's Economic Development Branch to promote the City's rapid development in the Information Communications Technology industry.

Gold Coast City Council, the State Government's Information Industries Bureau, Griffith University and a local strategic management company produced the CD. It is part of a range of marketing materials being produced as part of the City Image and Infrastructure Funding Strategy aimed at gaining widespread recognition for Gold Coast as Innovation City.

Canberra Mission

In December 2002, a Gold Coast City delegation led by Mayor Cr Gary Baidon with councillors, senior officers and industry/business/academic representatives, travelled to Canberra to meet Federal Government Ministers and senior government officials. The mission began the process of repositioning the City in federal perception and raised specific federal-level issues about the economic growth of the City. The mission is planned to become an annual activity on Council's advocacy calendar.

Key performance indicator

Increase in trade familiarisations — domestic travel agents and media organisations (compared to the same quarter the previous year)

Year	September quarter	% Change	December quarter	% Change	March quarter	% Change	June quarter	% Change
2001-2002	152		229		202		197	
2002-2003	186	22.37%	136	-40.61%	193	-4.46%	156	-20.81%

Analysis:

The Gold Coast Tourism Bureau has refined statistics over the past year to report domestic and international trade familiarisations separately. The above relate to domestic trade familiarisations where travel agents and media organisations from other parts of Australia and the surrounding region are hosted in Gold Coast to be briefed on Gold Coast as a holiday destination for promotional purposes. The figures for 2001-2002 are slightly exaggerated, as Gold Coast received a large number of familiarisations as a result of the Australian Tourism Exchange held in Brisbane during 2001-2002.

Throughout 2002-2003, the bureau hosted 178 domestic media and 493 domestic trade representatives, a decrease of 1.1 percent and 17.8 percent respectively on an annual basis.

Lifeguards instructing international tourists on surf safety*Council lifeguards at Blackpool Sands, UK*

CORPORATE OBJECTIVE 4.3 INTERNATIONAL RELATIONS

FACILITATE, SUPPORT AND PROMOTE THE SOCIAL, ECONOMIC, CULTURAL AND EDUCATIONAL EXCHANGES BETWEEN THE GOLD COAST COMMUNITY AND OTHER CITIES AND NATIONS.

Council staff excelled as ambassadors carrying the social and working ethics of Gold Coast City to countries around the world, particularly Japan and the UK. A trade mission to Noumea was also undertaken. Council's performance in implementing its corporate objective of 'international relations' during the year is demonstrated by the following actions:

Assistant International Relations Officer

Takasu City Council, Japan, has been hosting a Gold Coast resident as an appointed officer in its town hall. Gold Coast City Council held interviews and appointed a young Gold Coast resident to the position of Assistant International Relations Officer for two years from March 2002 to March 2004. The Officer's responsibilities include translation, international relations projects and cultural and education initiatives.

Gold Coast City and Takasu City have both benefited from this appointment through the enhancement of their Sister City Agreement, knowledge exchange and cultural experience. This initiative generated favourable press coverage for Gold Coast in the Japanese print media.

Trade mission to Sister City Noumea, New Caledonia

Mayor Cr Gary Baildon led a trade mission to Council's Sister City Noumea, New Caledonia, in October 2002. The mission showcased Gold Coast in an exhibition at the Noumean Town Hall. The exhibition was aimed at the local business and general community. A resigning of the Sister City Agreement with Noumea on its 10th anniversary was a highlight of the visit. The local media covered the event, with editorial dispatched to media in France and Australia.

Lifeguards learn overseas

Two Council lifeguards worked at Blackpool Sands, Devon, UK, from April to September 2002. Two more travelled to Kanagawa Prefecture, Japan, in August 2002 as part of an annual lifeguard exchange program. The lifeguards trained the local Kanagawa lifeguards and participated in a lifeguard competition (the Mayor's Cup). The lifeguards had an opportunity for knowledge exchange and cultural experiences through home stays with Japanese families. Kanagawa and Gold Coast City have benefited from the exchanges through the strengthening of their friendship agreement, knowledge and cultural exchange.

Legislative information

Cooperation between local governments

Section 534(a) of the *Local Government Act 1993* requires Council to report “details of action taken in relation to, and expenditure on, a service, facility or activity –

- i) for which the local government made and levied a special rate of charge for the financial year; and
- ii) supplied by another local government under arrangements entered into under section 59”.

There were no details to report for the year under this section.

Council tenders

Section 534(b) of the *Local Government Act 1993* requires Council to report “a list of all actions taken under section 488(2)” (changes to tenders) “during the year”.

No Council resolutions were made during 2002-2003 to alter tender specifications to tenders already called.

Expressions of interest

Section 534(c) of the *Local Government Act 1993* requires Council to report “a list of all resolutions made during the year under section 489(1)” (short listing after calling expressions of interest). The following expressions of interest were called during the 2002-2003 financial year:

Council minute number W02.0905.003 – expressions of interest from suitably qualified persons for inclusion in a Panel of Providers for Gold Coast Water Consulting Services.

Council minute number F02.1126.003 – expressions of interest for the supply of personal computers and associated services.

Council minute number R03.0116.003 (subsequently amended G03.0124.027 – the word “Board” be replaced by the word “Committee”) – Expressions of interest for the formation of a Community Advisory Committee for South Stradbroke Island.

Council minute number H03.0327.004 – expressions of interest for the supply and implementation of a Licensing Inspection Information System.

Council registers

Section 534(d) of the *Local Government Act 1993* requires Council to report “a list of registers kept by it and open to inspection”. The listed registers are available for inspection.

- Registers of interests of councillors
- Register of electoral gifts
- Register of delegations (by Council and by CEO)
- Register of enterprises
- Register of NCP activities, accreditations, complaints, etc
- Register of subordinate local laws (local law policies)
- Register of roads
- Register of general charges
- Register of restricted dogs

In addition, Council makes other information available including copies of minutes of Council and standing committee meetings. During 2002-2003 Council and Council Standing Committee minutes were made available electronically on Council's website. The site is searchable by keyword and can be browsed by Council and Council Standing Committees. The site is at www.goldcoastcity.com.au - go to 'Fast Links' on the home page and select 'Minutes & Agendas Online'.

Rating rebates and concessions

Section 534(e) of the *Local Government Act 1993* requires Council to include “a summary of all rebates and concessions allowed by the local government in relation to rates”.

Under Chapter 14, Part 6 of the *Local Government Act 1993*, Council resolved (minute no.GB02.0628.001) to adopt a Remission of Rates Policy for 2002-2003 within the following context:

Rebates up to \$205 annually on 2002-2003 net rates and charges will be granted to home owners and occupiers who are not home owners in receipt of a Pensioner Concession Card or a Repatriation Health Care Card for all conditions subject to the conditions detailed in the policy. A remission of \$11.90 on the separate charge for the Open Space Preservation Levy will also apply.

Ratepayers in receipt of the widow's allowance who hold the Health Care Card and who were in receipt of a Council remission before the death of their partner are also eligible under the policy for a remission on rates and on the Open Space Preservation Levy.

New residents who are pensioner ratepayers must wait two years from the date of possession of their homes before they are deemed eligible for a rates remission under the policy. However, Council will consider applications on a case-by-case basis where the ratepayer has been a previous resident of Gold Coast City.

Remissions will be granted on the current year's rates only; however, a remission may be granted retrospectively in exceptional circumstances at the Chief Executive Officer's discretion.

Ratepayers shall be deemed eligible to receive a pensioner remission for the remainder of the current financial year if:

- they are eligible for a Council remission and pay their annual rate in the first half of a financial year; and
- they subsequently become ineligible for the remission following advice received in Council's pensioner verification process; and
- Council is made aware that the death of the ratepayer's partner contributed to the ratepayer becoming ineligible to receive the remission.

Rebates and concessions on rates and charges are also available to various clubs, sporting and non-profit community organisations.

Full details of the policy are contained in the Schedule of Rates and Charges adopted by Council in its 2002-2003 budget. The document is available for inspection.

Borrowing policy

Section 44(1)(a) of the *Local Government Finance Standard 1994* requires Council to “include a summary of its policy about borrowings”.

This policy relates to the borrowing of funds by Council from external sources through loans, overdraft facilities and other financial arrangements that impose an obligation on Council for repayment.

The criteria for the borrowing of funds are as follows:

- Borrowings will only be undertaken for capital projects where the interest and debt principal repayments can be serviced from available cash; that is, the difference between Council's projected total income and expenditure for the term of each loan.
- Borrowings will not be used to fund recurrent expenditure and operational activities.
- In borrowing for infrastructure, the terms of the loan shall not exceed the finite life of the related asset.

The borrowings planned for the financial years 2002-2003 to 2004-2005 are detailed in the 2002-2003 Borrowing Policy adopted as part of that year's budget (minute no.GB02.0628.002). The document is open to inspection.

Shareholder's Delegates For Local Government Owned Corporations (LGOs)

Section 534(l) of the *Local Government Act 1993* requires Council to report the “names of shareholder's delegates of the local government for its LGOs for the year under section 643”.

Council does not operate a Local Government Owned Corporation (LGO).

Council's business activities

Council is required under section 768 of the *Local Government Act 1993* to provide "a list of its activities that were deemed business activities during the financial year and a statement whether the code of competitive conduct was applied to each of the activities and, if not, the reason it was not applied".

The following activities have been identified as business activities within the definitions of the *Local Government Act 1993* and as such are subject to the National Competition Policy reforms applicable to local governments.

Type 1 significant business activities:

- Gold Coast Water;
- Cleansing services (Gold Coast Waste Management).

Type 3 business activities:

- Tourist parks;
- Reedy Creek Quarry;
- Community facilities (Carrara Sporting Complex and Council's community centres);
- Off-street car parking (Bruce Bishop Car Park and other unmanned off-street car parking);
- Swimming pools;
- Cemeteries; and
- Gold Coast Building Certification Group.

Other roads activities (state controlled roads)

Gold Coast Water and cleansing services (Gold Coast Waste Management)

Council has two type 1 significant business activities (namely Gold Coast Water and Gold Coast Waste Management). In 1997, Council conducted in-depth reviews and a Public Benefit Assessment for each activity to obtain feedback from community groups to assess what level of reform should be applied. Council resolved at its meeting of 10 November 1997, to implement the following:

- Gold Coast Water: full cost price immediately and implement commercialisation from 1 July 1998; and
- Cleansing services: full cost price by 30 June 1998 and implement commercialisation by 30 June 1999.

As Commercialised Business Units, Council maintains direct control over: pricing policy; major expenditures; levels of service delivery; and environmental considerations. Throughout the 2002-2003 financial year Gold Coast Water and Gold Coast Waste Management both continued to implement commercial reforms, e.g. review of community service obligations, development of pricing/costing models.

Other business activities

Annual reviews of each of Council's type 3 business activities (expenditure over \$200,000) as listed above, are conducted to assess whether or not the Code of Competitive Conduct should be applied to each of them (as required by section 766 of the *Local Government Act 1993*). At its meeting of 26 June 1998, Council originally resolved to adopt the code for its Tourist Parks and Reedy Creek Quarry business activities from 1 July 1998. Council resolved to adopt the code for the Gold Coast Building Certification Group at its meeting of 27 August 1998. Council at its meeting of 19 March 2002 resolved to continue to adopt the code for all the activities addressed in this paragraph for 2002-2003.

Council reassessed the application of the code for the remaining type 3 business activities at its meeting of 19 March 2002. Reasons for not adopting the code for the remaining type 3 business activities were:

- these activities are set up within the organisational structure in such a way that identification of their operating costs is difficult and resource intensive;
- the resources required to adopt the code are greater than those required for the tourist parks, the Reedy Creek Quarry and the Building Certification Group, as an attempt to identify 'commercial' costs had already been conducted. The resources necessary to adopt the code for the remaining type 3 activities are not currently available given the numerous other priority projects currently being completed;
- available resources are currently being exhausted as a result of completing other legislative requirements under National Competition Policy, where a benefit has been identified; and
- the lack of fundamental commercial information, such as assets and valuations, may lead to inappropriate decision-making when considering the budget.

It was considered that the above reasons indicated that the benefits of adopting the code for community facilities, off-street car parking, swimming pools and cemeteries, were outweighed by the associated costs.

Council's other roads business activity had previously been recognised as a nominated business for potential reform. At its meeting of 30 April 2002, Council resolved to adopt the code for its 'other roads' business activity by 30 June 2003 after concluding that the benefits outweighed the costs.

Water and sewerage cross-subsidies between consumer classes

A cross-subsidy exists where a service provider receives less than the incremental cost for providing a particular service and other customers pay in excess of their stand-alone costs of supply. Sections 783(d) and 785(2) of the *Local Government Act 1993* and section 115 of the *Local Government Finance Standard 1994* require that cross-subsidies between classes of consumers in the provision of water and sewerage services must be disclosed.

Cross-subsidies may exist between services and/or consumers or groups of consumers. For Gold Coast Water, consumer classes included residential and commercial.

The Queensland Government guidelines for the identification and measurement of cross-subsidies for local government water and sewerage businesses specify a test related to the Long Run Marginal Cost (LRMC). The Queensland test for cross-subsidies is to compare the total water price on a per kilolitre base being 'average cost per kilolitre' with the LRMC. A cross-subsidy is deemed to exist if any consumer class is paying an average cost per kilolitre higher than the LRMC, while another class has an average cost per kilolitre below the LRMC. Council adopted the LRMC methodology, however, an adjustment was made to recognise the revenues generated by service charges. This is deemed to be a more accurate assessment of cross-subsidies, as it measures the total costs charged to consumers. On applying this methodology, Council recognises that for 2002-2003 residential consumers were subsidised by \$2.2 million. Council is actively working with the community in developing more equitable pricing structures, which will remove this cross-subsidy over time. Council has not finalised its assessment of cross-subsidies on sewerage services. Gold Coast Water is in the process of developing cost allocation models for the purpose of implementing a new user pays tariff for wastewater charges based on volume and quality of discharges. These models will identify potential cross-subsidies between consumers of wastewater services.

Competitive neutrality complaints regarding Council's business activities

At its meeting of 26 June 1998, Council resolved to adopt an internal complaints process for competitive neutrality matters relating to Council's type 1 significant business activities and its type 3 business activities. The process adopted is in accordance with Chapter 11 of the *Local Government Act 1993*. The Chief Executive Officer has been authorised to appoint a referee on a case-by-case basis. Council also resolved to set the fee for making a complaint at \$100 to cover costs of administration as per section 794(3) of the *Local Government Act 1993* and section 28 of the *Local Government Regulation 1994*.

No competitive neutrality complaint was made against Council's business activities during the year.

Trade Practices Compliance Program

Council has established a Trade Practices Act Compliance Program to ensure councillors and staff of the Gold Coast City Council are aware of their responsibilities under the *Trade Practices Act 1974* and the penalties involved should a breach occur. The compliance program includes:

- Trade Practices Act training seminars for councillors and council staff with delegations for amounts of \$5,000 and above; and
- Council's Internal Audit Branch monitoring Trade Practices Act compliance in the course of its auditing process. Specific training has been conducted to assist the branch with this function.

Annual statement of operations for Gold Coast Water and Gold Coast Waste Management

Section 581(1) of the *Local Government Act 1993* requires that Council must ensure an annual statement on the operations of each commercial business unit for the preceding financial year is given to Council.

The annual statements of operation for each of Council's type 1 significant business activities i.e. Gold Coast Water and Gold Coast Waste Management are presented on the pages that follow. These statements provide a basis upon which an informed assessment of the business activities' operations during 2002-2003 can be made.

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

Gold Coast Water (GCW) was established as a Directorate of the Gold Coast City Council in June 1995 to provide water and wastewater services to regional consumers through the management of Council's water and wastewater assets. It also creates headworks assets and has laboratories that undertake water and wastewater analysis.

Gold Coast Water manages the Council's water sources, the Hinze Dam and Little Nerang Dam and provides reticulated water supply and wastewater services to residents.

These services are provided through:

- 2835 kilometres of water mains;

- 2774 kilometres of sewerage infrastructure;
- two water treatment plants; and
- four wastewater treatment facilities.

Note:

- Presentation of results: red shading denotes result is outside of target; green shading denotes result is within target; and no shading denotes result cannot be compared to a target.
- Targets for KPIs have been based on approved budget estimates and those consisting of a 'per property' result have been increased by 1.816% to reflect the decrease in property/numbers in accordance with the new Water Services Association of Australia (WSAA) definition.
- A sample of WSAA KPIs is subject to external audit and results may vary depending on the outcome of the audit.

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Chosen employer	Well-managed City	1. Total lost days as % of total days worked Performance: The 2002-2003 target was set at 1.92 percent, which at the time was the national benchmark for utilities. The target was not achieved, however some improvement was made from the previous year. Days lost due to work place accidents were reduced from 613 days to 436 days. Days lost to sick and family days were reduced by six days. This KPI has improved from 3.83 percent in 2001-2002 to 3.56 percent in 2002-2003.	1.92%	3.56%
		2. Staff satisfaction – index Performance: The staff satisfaction index is calculated when GCW conducts a Working Life Survey. The most recent surveys were conducted in 2000 and 2003. The index has improved in that time from 3.2 in 2000 to 3.3 in 2003. Unfortunately, the target of 3.45 was not achieved this year. The improvement can be put down to improving communication strategies and concentrating on improving how workplace change is planned and implemented. However, there was a slight decrease in staff satisfaction with regard to job training and this will be addressed through staff development strategies.	3.45	3.3
		3. Volume of wastewater spilt (kl) Performance: This year's spillage volume of 174 ML is significantly higher than any of GCW's previously recorded results and is around 43.5 times the annual target of 4 ML. By far the main contributor (86 percent by volume) was hydraulic overloading of both the pumped and gravity systems during rain events. This poor system performance appears unprecedented when considering the relative lack of rain intensity and duration. The next most significant causal factor was failed pressure mains and associated assets, in most cases associated with corrosion, or in the case of plastic pipes, material failure of an as yet unspecified nature. Further analysis is budgeted and programmed. Other spills were generally related to either system blockages or pump station failures. Blockages were significantly up in number as a result of an extraordinary number of root intrusions resulting from the drought (ground shrinkage, pipe failure and roots seeking moisture), but were generally low in volume and impact. Pump station failures were similar to recent years in both number and impact.	4,000	174,070
Environmental sustainability	Quality natural environment			

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Environmental sustainability	Quality natural environment	4. No. of odour complaints attributed to GCW's assets per 1000 properties <small>* Target adjusted to be consistent with end of year property numbers</small>	1.14*	0.90
		<p>Note that this indicator differs from the WSAA definition, which includes non-GCW assets i.e. private property connections.</p> <p>Performance: This year, 178 odour related complaints attributable to GCW wastewater infrastructure were received, down from the previous year's 259 complaints. It was also the second lowest result since records were commenced and the best result ever when referenced against population and system size.</p> <p>The major factors responsible for this excellent result were:</p> <ul style="list-style-type: none"> • a more concerted effort by a newly formed GCW "odour" team; • more time available for odour prevention; and • rectification by the Asset Management Section. The section is benefiting from newly commissioned carbon filters at troublesome odour hotspots and an additional operating expenditure of \$330,000 for chemical treatment of sewage at the Elanora Water Reclamation Facility. 	<p>Improvement strategies: It is the intention of GCW to continue to actively target problem areas, continue to focus on improving operational housekeeping issues and develop a longer-term odour reduction strategy as resources permit. It is planned that this strategy development will receive ongoing focus in 2003-2004.</p>	
		5. Energy consumption (kWh) per property (water) <small>* Target adjusted to be consistent with end of year property numbers</small>	85.5*	67.63
		<p>Performance: In general terms, the reduction in energy use for water relates to the reduction in production and consumption associated with the drought.</p>	<p>Improvement strategies: Utilisation of gravity feed systems where possible to reduce energy consumption is the major improvement strategy planned in this area.</p>	
		6. Energy consumption (kWh) per property (wastewater) <small>* Target adjusted to be consistent with end of year property numbers</small>	246.4*	255.13
		<p>Performance: The result for wastewater energy use is within acceptable limits, however improvement is expected once operational improvements of the new SCADA system take effect.</p>	<p>Improvement strategies: The SCADA system is being upgraded to control the network system for energy savings. Ongoing network main upgrading will continue to reduce energy use in overloaded mains.</p>	
		7. Nitrogen release to environment from WWTPs (kg) per 1000 properties <small>* Target adjusted to be consistent with end of year property numbers</small>	1303.2*	1305.97
		<p>Performance: The Wastewater Treatment Plants (WWTPs) are running close to their nitrogen removal capabilities at present.</p>	<p>Improvement strategies: The main improvement strategy is for the introduction of Hazards Analysis and Critical Control Points system (HACCP), (a quality system which sets control limits within it for early detection of defects) which will foster closer operational diligence to facilitate fine-tuning of the nitrification/ denitrification process. In addition, process optimisation at the Beenleigh Plant may be realised with an investigation leading to an increased carbon source in the sewage, which will allow greater biological nitrogen removal.</p>	
		8. Phosphorous release to environment from WWTP (kg) per 1000 properties <small>* Target adjusted to be consistent with end of year property numbers</small>	814.53*	738.41
<p>Performance: Phosphorus removal is now a standard requirement with new treatment plant design. The addition of water treatment plant alum sludge residual, has aided in the phosphorus removal at Merrimac and Coombabah Wastewater Treatment Plants.</p>				
9. Biosolids not beneficially reused (tonnes)	0	0		
<p>Performance: The only incidents of biosolids not being beneficially used are when a specific parameter (e.g. heavy metal content) exceeds the level permitted for subsequent composting treatment.</p>	<p>Improvement strategies: The focus in this area remains on trade waste control to minimise discharges to sewer.</p>			

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Environmental sustainability	Quality natural environment	10. Water supplied per property (kl) - not climate corrected. <small>*Target adjusted to be consistent with end of year property numbers</small>	3,66.54*	293
		Performance: Focus on drought management and water restrictions has resulted in this significant reduction in demand. This indicator includes all water supply and system water losses.	Improvement strategies: The drought management project was the catalyst for the creation of the demand management section and will in 2003-2004, focus on developing a demand management strategy and reducing consumption by at least 3 percent next year.	
		11. Volume of recycled water reused (ML)	6860	5947.32
		Performance: The Drought Security Plan identified the need to extend the Gold Coast City Council recycled water distribution system to potential high usage areas. Recycled water usage will increase while having a direct impact on drinking water savings.	Improvement strategies: Continued focus on increasing recycled water customer base via the Drought Security Plan, the Demand Management Strategy, and the Pimpama / Coomera Water Future project.	
		12. Innovation expenditure as a % of total turnover	0.13%	N/A
		Performance: This KPI could not be reported as the methodology for calculating this KPI was still being developed at the end of 2002-2003.		
Commercial sustainability	Well-managed City	13. Operating costs (\$) per property <small>*Target adjusted to be consistent with end of year property numbers</small>	304.00*	331.00
		Performance: The actual operating cost per property has increased from the adopted budget due to the drought and additional Logan City Council water purchase expenditure (about \$6 million). Revised property numbers as per WSAA definition also affected this result.	Improvement strategies: Better financial reporting and ongoing financial training to coordinators and supervisors is planned in 2003-2004.	
		14. Operating revenue (net \$) per property <small>* Target adjusted to be consistent with end of year property numbers</small>	908.00*	867.00
		Performance: The revised revenue per property budget estimate is based on the approved budget and revised property definitions. Revenue in water was down by approximately \$5 million because of the drought, therefore representing the majority of the variance.		
		15. Net profit before tax and abnormals / operating revenue	58.1%	52.6%
		Performance: The revised budget for this KPI was 58.1 percent with the variation primarily associated with internal expenses and competitive neutrality adjustments.		
16. System water losses (ML) per 100km water main	271	249.5		
Performance: The system water losses result for 2002-2003 was well below the target. Water restrictions during the year have had a large impact on bulk water supplied and metered supply. The improvement in the result could be attributed to: <ul style="list-style-type: none"> • improved domestic, commercial etc. metered supply accuracy as a result of about \$2 million in meter renewals during 2002-2003; • leaks in water services and mains being easier to identify as a result of the dry weather, therefore decreased water losses (very high main to meter and water main repairs for 2002-2003); • the unaccounted for portion of the metered standpipe component of unaccounted for water may have improved as a result of increased recycled water use on internal/external irrigation and civil projects. 	Improvement strategies: GCW strategy for the future is to: <ul style="list-style-type: none"> • further develop a pressure management and water losses project trial. Rolling out the trial across the City could result in less water main and service breaks and system leakage; • further promote the use of recycled water. In addition to continuing with the 2003-2004 water meter replacement program (stopped and damaged and >10 yrs old), GCW intends to measure in 2003-2004 a variation to this KPI as part of WSAA's national benchmarking exercise. The KPI is called 'Infrastructure Leakage Index'.			

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Commercial sustainability	Well-managed City	17. Regulatory rate of return on assets (%) As per QCA definition for maximum allowable revenue under pricing guidelines.	8.4%	7.48%
		Performance: The 2002-2003 result is a lower regulatory rate of return (under Queensland Competition Authority (QCA) guidelines) than expected due to the revaluation of GCW's assets and reduced revenue resulting from the drought.		
Quality water service provision	Well-managed City	18. % tests meeting 1996 National Health and Medical Research Council (NHMRC) guidelines (bacterial criteria) - faecal coliforms	98	98
		Performance: This KPI measures the percentage of tests that yielded a positive faecal coliform result. It is set at 98 percent because it is realised by Australian Drinking Water Guidelines (ADWG) that around 2 percent of samples will accidentally become contaminated. Significant failures during the year have been addressed in the improvement strategies.	Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> the GCW reservoir-monitoring programme is now fully implemented and many repairs that improve reservoir integrity have been carried out since March 2003; a pilot re-chlorination unit was to be installed at Hotham Creek in July 2003 in an attempt to bring chlorine to the Oxenford/Helensvale Gaven areas, which are now on Brisbane water and have had minor bacterial problems early in 2003 (these areas contributed to almost half of our faecal failures in 2003); GCW is trialling the use of flame torches by our sampling staff in an effort to reduce the possibility of accidental sample contamination; a chlorine booster unit has been commissioned at Coomera Waters to control elevated bacterial risks from that area; control of the Beenleigh re-chlorination unit has been tightened with improved failure alarming, monitoring and awareness of this critical facility; continue to implement HACCP system. 	
		19. % tests meeting 1996 NHMRC guidelines (bacterial criteria) - total coliforms	95	96.81
		Performance: NHMRC allow for a 5 percent sample contamination level here as compared with 2 percent for faecal coliforms. This KPI measures the percentage of results that yielded a count of one or more Colony Forming Units (CFUs) per 100ml of sample. A good result, but the same comment as for faecals applies, (refer to performance measure no.18 above) since any faecal positive is by definition, also a total coliform positive.	Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> GCW reservoir monitoring program is now fully implemented and many repairs that improve reservoir integrity have been carried out since March 2003; a pilot rechlorination unit has been installed at Hotham Creek in July 2003 in an attempt to bring chlorine to the Oxenford/Helensvale and Gaven areas, which are now connected to Brisbane water and have had minor bacterial problems early in 2003 (these areas contributed to almost half of our faecal failures in 2003); flame torches are to be trialled by GCW sampling staff in an effort to reduce the possibility of accidental sample contamination; a chlorine booster unit has been commissioned at Coomera Waters to control elevated bacterial risks from that area; control of the Beenleigh rechlorination unit has been tightened with improved failure alarming, monitoring and awareness of this critical facility; continue to implement HACCP system. 	
		20. 95th percentile of meeting 1996 NHMRC guidelines (chemical criteria) – pH	<6.5>8.5 (95th percentile)	8.28 +/-0.02 (with 95th confidence)
		Performance: This KPI reflects the confidence of achieving a random pH value anywhere in the City within the ADWG limit of <6.5>8.5. The average result from routine testing is 7.6. This result is excellent as only three of the 99 test locations contributed to 82 percent of our failures. These three sites however only contain 0.13 percent of the population. These sites could be excluded as being non-representative but since GCW have a risk based approach to water quality it prefers to persist with these locations at present. This year's result is very similar to last year (8.03 +/- 0.02 with an average result of 7.57).	Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> installation of an alkalinity boosting process at Mudgeeraba has been planned to combat the pH failures (which are associated with the low alkalinity of the Mudgeeraba water); investigation of the possibility of manipulating the system to improve turnover in target reservoirs; continue to implement HACCP system. 	

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Quality water service provision	Well-managed City	21. 95th percentile of meeting 1996 NHMRC guidelines (chemical criteria) - turbidity (clarity) Performance: This KPI indicates that the water throughout the City is very low in turbidity (clarity). This non-health related parameter gives an indication of the cloudiness of the water and relates to water treatment plant filter performance. It should also be noted that only two results from 1384 tests exceeded the ADWG limit of >5 ntu (nephelometer turbidity units) and an average result of 0.39 was achieved. This year's result is very similar to last year (1.35 +/- 0.03 with an average result of 0.43).	<5 ntu (95th percentile)	1.25 +/-0.03 (with 95th confidence)
		22. 95th percentile of meeting 1996 NHMRC guidelines (chemical criteria - colour) Performance: This KPI indicates that the water throughout the City is very low in colour. It should also be noted that no samples from 1384 tests exceeded the ADWG limit of >15 cpu (cobalt platinate units) and an average result of 2.04 cpu was achieved. This year's result is an improvement on last year (2.79 +/- 0.03 with an average result of 2.09).	<15 cpu (95th percentile)	2.45 +/-0.01 (with 95th confidence)
		23. Water quality complaints per 1000 properties * Target adjusted to be consistent with end of year property numbers	7.50*	5.35
		24. Water interruptions per 1000 properties (includes planned and unplanned interruptions) * Target adjusted to be consistent with end of year property numbers Note that this measurement does not conform to the WSAA definition for total property numbers affected i.e. it does not include all lots/units within property. Performance: The result for this KPI was well below the target for the year. There are several reasons for the good result including: <ul style="list-style-type: none"> the target may have been set too high; good connectivity in the water reticulation network; good positioning of valves to minimise the number of properties affected during interruptions; good communication and direction provided by the 24 hour centre in directing field staff to valve locations and appropriate shutdown areas; not all water shut downs may be being called through and properties affected estimated. A similar result for the 2003-2004 year would be acceptable however GCW's approach to continual improvement will see additional valves installed to further minimise shutdown areas during water interruption events.	320.21*	296.18
		Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> increased usage of turbidity meters at Mudgeeraba Water Purification Plant; online monitoring in the Brisbane distribution system; continue to implement HACCP system. 		
		Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> limited opportunity for improvement given 100 percent compliance; continue to implement HACCP system. 		
		Improvement strategies: The following improvement strategies are planned: <ul style="list-style-type: none"> develop critical limits on water quality complaints and incorporate these into the HACCP system; develop a rigorous and detailed investigation system. 		
		Improvement strategies: An asset management strategy to further improve this KPI is to monitor the monthly interruption figures generated using the Seagate reporting system. Interruptions that affect greater than 200 properties will be targeted for installing valve or extending water mains to minimise the number of properties interrupted. The network modelling area is considering the purchase of software that will enable GCW to identify shut-off blocks and prioritise the installation of valves or water main extensions based on the number of properties to be affected. GCW have planned for alterations to the work scheduling (CABS) system used by Operations and Maintenance Branch (O&M) field crews to log incident details. The alterations will include mandatory fields that O&M crews will have to complete before the job can be closed out. This will ensure shutdown times are captured for all events increasing data accuracy and integrity.		

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Quality water service provision	Well-managed City	25. Water main breaks/100 kms (includes 3rd party main break) Performance: The result for this KPI was poor in comparison to the target. Several factors have contributed to the poor figure including: <ul style="list-style-type: none"> environmental conditions (extremely dry weather causing ground movement); dry ground making it easier to identify leaking water mains; partly developed water main renewals priority program which identifies and lists the renewal of under performing water main assets. GCW's Asset Management group aim to improve on the KPI figure achieved in 2002-2003.	11.76	16.65
		26. No. of main to meter bursts per 1000 properties <small>*Target adjusted to be consistent with end of year property numbers</small> Performance: The final figure for the main to meter burst KPI was poor relative to the target. There are several factors that have contributed to the poor KPI figure including: <ul style="list-style-type: none"> corrective maintenance policy and practices that are skewed towards repairs to services rather than replacements; abandonment of the O&M operated water service replacement program and opportunistic renewals as a result of dry weather and water restrictions; no renewals priority list; no planned program for water service renewals under CAPEX. GCW hope to improve on the 2002-2003 KPI figure and are in the process of developing strategies to achieve improved results.	28.05*	43.01
		27. Sewer main breaks and chokes/100 km	19.5	35.4
		Note that this measurement does not conform to the WSAA definition that includes partial and 3rd party breaks. Performance: This year's 982 events were well above the annual target of 498. Of these, around 80 percent were attributed to gravity mainline blockages, with tree roots in the line once again being the dominant cause. The extraordinary number of root intrusions appears to be a direct result of the recent drought, with the general mechanics of the process being ground shrinkage, pipe failure and roots seeking moisture. Despite recent months rainfall, the legacy of the relatively dry conditions of the previous 20 months that resulted in a high incidence of root intrusion problems is still being felt. The only positive comment on these root intrusions is the relative low volume and impact of the resulting spillage. The next most significant causal factor was failed pressure mains and associated assets, in most cases associated with corrosion or in the case of plastic pipes, material failure of an as yet unspecified nature.	Improvement strategies: A new Asset Management Gravity Sewer Officer position is currently being advertised. One of the key initial roles of this position will be to undertake a study and assist in formulating a strategy to deal with these root problems. Further analysis is budgeted and programmed to address corrosion and other material failure.	

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

GCW theme	Corporate objective	Performance measure	2002-2003 target	2002-2003 result
Quality water service provision	Well-managed City	28. Average water outage time (minutes) per property (planned and unplanned)	-	15.60
		<p>Performance: No target was set for this KPI in 2002-2003. Data was not reported monthly for seven of the monthly reporting periods of the year (August to November 2002 and February to April 2003). The average interruption duration was calculated for the annual period using 'Seagate' reporting. Water outage data may not have been collected for the three-month period between February and April 2003.</p> <p>GCW were unable to separate the planned and unplanned interruption water outage durations for 2002-2003. The average outage time for 2002-2003 relative to other WSAA members is good. The WSAA weighted average is 22 minutes. The good overall result could be attributed to several factors including:</p> <ul style="list-style-type: none"> the use of stainless steel clamps on water mains and water services in corrective maintenance to hasten repair times; competency of O&M corrective maintenance staff in repairing breaks. <p>A knock on effect of a good (low) interruptions result for the year.</p>	<p>Improvement strategies: GCW should aim for a similar result in 2003-2004, however there are long-term asset management strategies being developed that could result in short term increases to outage times. The long-term sustainability of corrective repairs to split water mains using clamps and repairs to water services using clamps is being investigated. Should the procedure for these types of repairs change from clamp repairs to whole asset renewal, outage times may increase. GCW intend to implement these procedural changes during the year and monitor their financial and customer interruption impacts.</p>	
Accountability	Well-managed City	29. Number of environmental licence parameter excursions at treatment plants	0	55
		<p>Performance: In total, 55 licence parameter excursions (instances outside of the licence parameters) were experienced this year. Some of these excursions were due to two large rainfall/infiltration events in February and May.</p> <p>Of the 55 excursions, Beenleigh experienced 20. These excursions were mainly nitrogen and faecal parameters due to commissioning and process adjustments and rainfall/infiltration events. It has also been identified that the influent to the plant may be carbon limited. Other sources of carbon are currently being investigated. Merrimac had 21 excursions. 90 percent of these excursions were due to ineffective disinfection. The disinfection process at Merrimac is being reviewed and funds have been allocated in the 2003-2004 budget to address this issue. Elanora and Coombabah had 7 excursions each, associated with faecal coliforms and free chlorine.</p>		
Customer focus	Customer and community focus	30. General customer satisfaction - Satisfied with the services provided by GCW Meets Expectations Recommend using GCW services	92% 86% 85%	7.0
		<p>Performance: During the year GCW converted to a new methodology for measuring customer satisfaction (hence the variation from the original targets). A new Customer Value Management methodology was introduced to provide greater diagnostic analysis for key drivers of customer satisfaction. The process developed an overall measure out of 10 that aggregates satisfaction across water supply, fieldwork, outages, recycled water, customer service and pricing / billing and is a ranking. In general the results show that GCW is rated well overall by customers for water supply, customer service, field work and management of outages but is less well rated for pricing and billing and its recycled water management. Across all performance areas, business customers are less favourable in their perceptions of GCW's performance than residential customers.</p>	<p>Improvement strategies: Action plans have been written and approved by management to be progressed through GCW partnering agreements and new Retail Services Branch structure as a means to improving this result next year.</p>	



Water restrictions continued throughout the year

COUNCIL DIRECTIONS TO GOLD COAST WATER DURING 2002-2003

Section 581(2)(c) of the *Local Government Act 1993* requires that the annual statement on the operations of the commercial business unit must contain “particulars of any directions (including directions about community service obligations to be carried out by the unit) to the unit for the financial year”. The business unit was required by Council to implement the following decisions:

- **Christine Avenue and Varsity Parade Robina – 450mm trunk water main extension:** approval for construction (Wo2.0711.002).
- **Internal Structure Review:** approval of GCW’s revised structure (Wo2.0711.003).
- **Petition requesting construction of platform for beachfront end of Dudley Street, Mermaid Beach:** advice to be given to petitioners and adjoining beachfront residents of the construction (Wo2.0711.004).
- **Residential Water Saving Incentive Scheme 2002-2003:** approval of scheme (Wo2.0725.002).
- **Non-residential Water Saving Incentive Scheme:** scheme to take the form of professional audit on customer’s processes and premises to identify opportunities for water savings (Wo2.0725.003).
- **Northern Wastewater Reclaimed Water Scheme Stage 1A – negotiations for acquisition of easements for reclaimed water pipelines:** approval for negotiations (Wo2.0725.006).
- **Inclusion of financial statements for GCW Performance Plan 2002-2003:** Council’s approval of GCW’s budgeted 2002-2003 full cost pricing statement, profit and loss statement, balance sheet and debt structure, for inclusion (Wo2.0813.001).
- **Environmental Management Program (effluent use activities) – update – Recycled Water Supply Agreements:** negotiation with customers regarding agreement. Director GCW to report to Council following completion of the Environmental Management Program (Wo2.0813.002).
- **External works scheme at Sandy Creek Road, Yatala:** adoption of scheme (Wo2.0822.001).
- **Contract No. 169/01/57 – extension of Saltwater Creek trunk sewer to Park Lake Estate – variation of alignment:** variation to contract (Wo2.0822.006).
- **Water restrictions/exemptions and drought issues:** advice to Councillors of water ban brochures to advise their residents (Wo2.0822.007).
- **Non-Residential Customer Advisory Committee – extension of life of committee:** extension of life of committee (Wo2.0905.005).
- **Revenue of fluctuation reserves:** transfer of Water Revenue Fluctuations Reserve. Establishment of Wastewater Revenue Fluctuations Reserve (Wo2.0905.006).
- **Provision of water supply and sewerage infrastructure to the West Coomera Region:** approval of construction of 300mm water main and lowering of a section of the Yaun Creek trunk sewer (Wo2.1010.003).
- **Stanmore Road Water Pump Station:** approval for construction of station (Wo2.1010.009).
- **Gold Coast Water Customer Service Standard:** approval for development of standard (Wo2.1107.003).
- **Sponsorship of research grant applications under the Queensland Department of Local Government and Planning’s Advanced Wastewater Treatment Technologies Scheme:** acceptance of sponsorship submitted by the University of Queensland – Advanced Wastewater Management Centre (Wo2.1107.004).
- **Proposed sponsorship of research grant applications under the Cooperative Research Centre (CRC) for Water Quality and Treatment:** approval of sponsorship proposed by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and University of Queensland (Wo2.1107.005).
- **Scientific services – proposal for joint co-operation study with respect to laboratory services with Brisbane City Council (BCC):** investigations be undertaken through a joint study with BCC to proceed toward developing a business case for joint cooperation with respect to laboratory services (Wo2.1107.006).
- **Desalination:** report be provided on the costs and benefits of desalination (Wo2.1121.004).
- **Commercial use of public boat ramps by amphibious vehicles:** to provide a level of control of amphibious vehicle activities on Council controlled public boat ramps (Wo2.1205.003)
- **Reimbursement of plumbers accounts for wastewater blockages:** adoption of policy – Wastewater Reimbursements Claim Policy (Wo3.0130.002).

Gold Coast Water (GCW) – Annual statement of operations 2002-2003

- **Construction of trunk water main extension along Binstead Way, Gaven:** approval for construction (W03.0213.001).
- **Residential Water Saving Incentive Scheme 2002-2003:** additional funds and media release (W03.0213.003).
- **Biggera Creek – request to install tidal barrier to reduce litter problems:** report to be prepared on the feasibility of installing a tidal barrier in the canal to deflect litter from entering the Biggera Creek canal (W03.0227.003).
- **Water supplies at beach and waterway facilities:** water bubblers to be switched back on opposite Cavill Avenue, Surfers Paradise (W03.0227.005).
- **Proposed sponsorship of CRC for Water Quality and Treatment Doctorate (PhD) and Summer Scholarship Programs into determination and triggers for taste and odour in drinking water:** sponsorship for research projects (W03.0313.002).
- **Gaven Arterial Road Upgrade Project – Stage 1 construction works augmentation of existing water main:** augmentation of existing water main (W03.0313.004).
- **Register of general charges 2003-2004 – Beaches and Watercycle:** endorsement of register for inclusion in the 2003-2004 budget (W03.0313.006).
- **Charles Holm Park – Coomera River Foreshores Management Plan:** development of management plan (W03.0313.007).
- **Creation of new fees – dual reticulation schemes 2003-2004 fees and charges:** adoption and amendment of new fees for Council's Standard Fees and Charges Register (W03.0327.003).
- **2003-2004 Fees and Charges – new charge for Network Analysis System capacity reviews:** endorsement of new charge to be included in Council's Standard Fees and Charges Register 2003-2004 (W03.0327.004).
- **Register of General Charges 2003-2004 – Gold Coast Water:** endorsement of register for GCW for inclusion in the 2003-2004 budget (W03.0327.005).
- **Oakey Creek External Works Sewerage Scheme:** adoption of scheme for Oakey Creek sewerage catchment (W03.0501.006).
- **Proposed research program for development of a Model Based Decision Support system for optimisation of wastewater management for hydrogen sulphide control:** approval for proposed research program (W03.0501.007).
- **Pimpama Coomera Water Futures Project proposal to vary project scope and timeline:** adoption of varying project scope and timeline (W03.0527.001).
- **Coombabah Water Futures Project - establishment of Coombabah Water Futures Advisory Committee:** establishment of committee (W03.0527.003).
- **Headworks credits for infrastructure within the Varsity Lakes Development:** approval of equivalent person credit against the component two water supply headworks contributions payable (W03.0612.002).
- **Tweed River Entrance Sand Bypassing Project – pumping to Greenmount:** pumping sand to Greenmount (W03.0612.005).
- **Construction of trunk water main extension along Binstead Way, Gaven:** approval for construction (W03.0626.002).



Water testing

Gold Coast Waste Management – Annual statement of operations 2002-2003

As a commercialised business unit of Gold Coast City Council, Gold Coast Waste Management manages waste collections, waste minimisation (e.g. recycling), landfill operations and transfer station operations.

KEY INFORMATION

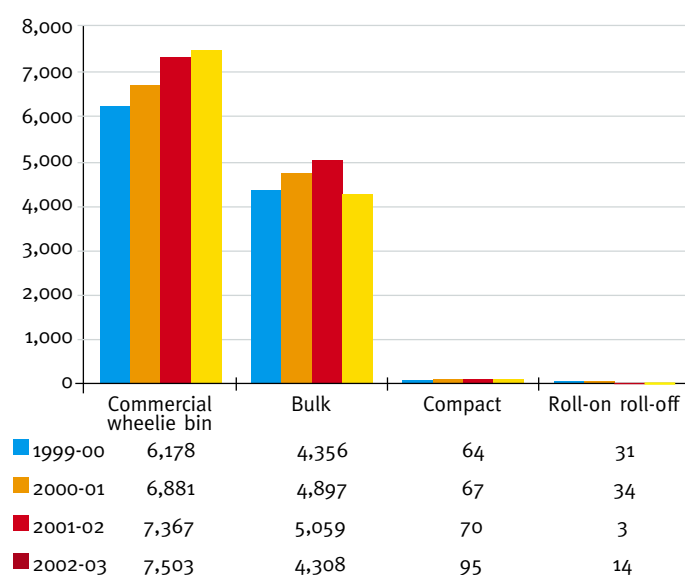
Domestic waste collections

At 30 June 2003, weekly collections numbered 164,816 (a growth of 2.92 percent from 30 June 2002).

General waste collections

Collection numbers have increased in most categories over the past year as shown below.

Total weekly collections - commercial bins



Dead animal collections

Council collected 446 dead animals from public places throughout the City during 2002-2003.

Park and street bin collections/month

Collection day	1999-2000	2000-2001	2001-2002	2002-2003
Monday to Saturday	9,333	9,732	10,365	7,013
Sunday	155	150	220	56
Total	9,488	9,882	10,585	7,069

A major survey of park and street bins was conducted during 2002-2003, resulting in a considerable decrease in the number of bins being serviced.

Recycling Waste collections to domestic and commercial premises

As at 30 June 2003, Council made 143,225 recycling collections every fortnight.



Collecting recyclable waste

Material Collected	Glass	High Density Polyethelene	Polyethelene Terephthalate	Other Plastics	Light Steel	Aluminium	Cardboard	Paper
1999/2000	5,310	395	394	261	659	139	5,627	3,886
2000/2001	4,661	439	433	242	663	164	5,650	4,805
2001/2002	6,138	481	483	316	677	197	11,614	(includes paper)
2002/2003	*3,987	435	403	255	568	293	13,420	(includes paper)
% increase or decrease 2001-2002 to 2002-2003	(35)	(9.52)	(16.56)	(19.3)	(16.1)	48.73	15.6	(includes paper)

* The marketing of glass has been severely affected by new specifications imposed by the receiver of glass, A.C.I. This will be rectified in the new recycling contract to begin in July 2004. In the interim alternative uses for waste glass are being investigated.

Waste minimisation at landfills and transfer stations

Material recycled	Tonnes recycled yearly				%Increase or decrease 01/02-02/03
	1999-2000	2000-2001	2001-2002	2002-2003	
Glass	225	297	353	336	(4.8)
Light steel	3,739	4,550	4,662	6,493	39.3
Aluminium	121	133	184	356	93.5
Heavy steel	499	747	740	1,666	125.1
Non-ferrous	1,389	87	106	103	(2.8)
Ferrous	95	6	8	7	12.5
Cardboard	36	97	58	458	690.0
Mixed paper	502	675	747	154	(79.0)
Concrete (processed)	11,500	4,125	13,340	*NIL	(100)
Concrete (unprocessed)	-	25,000	9,657	13,236	37.1
Batteries	-	-	-	418	**N/A
Oil	-	-	-	114	**N/A
Green waste (at Rocky Point and mulch generally)	26,464	28,613	39,180	35,855	(8.5)
Total (excluding unprocessed concrete)	44,570	39,330	59,378	45,960	(22.6)

*Concrete has not been processed during the 2002-2003 year because of contractual problems. However, 13,236 tonnes of unprocessed concrete has been collected in 2002-2003 and stockpiled for processing in 2003-2004.

** Not applicable. Battery and oil recycling has been formally recorded for the first time in 2002-2003.

Recycling education program

The centrepiece of the program is the mobile Wipe Out Waste (WOW) Education Van. The program includes a schools education program, the WOW web page within Council's website and participation in and displays at events such as the Gold Coast Show and World Environment Day. The program has been extended to include the Wipe Out Waste Challenge, which is designed to help schools with hands-on school projects such as worm farming and composting activities. Participation in the program was significant in 2002-2003:

- 24,000 children involved in WOW activities;
- 37 schools visited by the WOW mobile van;
- 25 schools visited by WOW educators;
- six schools participated in the WOW challenge;
- 14 worm farms donated as prizes for contests;
- 99 percent of school teachers rate the program as good/excellent; and
- 81 percent of pupils attending classes discuss recycling with parents.

Satisfaction Level	Customer satisfaction			
	1999-2000	2000-2001	2001-2002	2002-2003
Very satisfied	42.8%	85.9%	86.2%	66.2%
Somewhat satisfied	43.6%	7.9%	6.0%	27.6%
Somewhat dissatisfied	8.1%	5.5%	6.4%	5.0%
Very dissatisfied	1.0%	0.5%	0.2%	1.0%
Neither satisfied or dissatisfied	4.5%	0.2%	1.2%	0.2%

Landfill gas recovery project

Council has entered into a joint venture with Energex (energy service provider) to extract methane from landfills at Suntown, Stapylton, Molendinar, Reedy Creek, Tugun and the closed landfill site at Jacobs Well, for the generation of electrical power for the Queensland electricity grid.

Four sites are now generating power. Jacobs Well has been identified as not producing enough gas to justify any gas extraction installations. Investigations continue into the process at the Tugun landfill to determine the appropriate infrastructure to install there.

Production of gas over the financial year 2002-2003 was more than 6.25 million cubic metres.



Molendinar land fill gas site

Progress in alternative waste disposal/treatment technologies

After extensive investigations into alternative waste disposal/treatment technologies, Council decided not to proceed further, as technologies in the marketplace were not sufficiently proven to allow Council to make a long-term commitment to their use.

Waste Management staff to determine merits of alternative waste technologies for possible inclusion in future operations will closely monitor developments in this field.

Kerbside recycling contract

Tenders will be called for a new kerbside recycling contract for a further five years on expiration of the current contract on 30 June 2004.

The new contract will be extended to include a bulk waste-recycling collection for multi-occupancy buildings and collection of an expanded range of recyclable materials.

PERFORMANCE INDICATORS

Non-Financial						
Program	Component	Performance measure	Target	2001-2002	2002-2003	
Waste collections	Domestic waste	No. of missed services	<0.08%	0.028%	0.031%	
	General waste	No. of other complaints	<0.04%	0.003%	0.004%	
	Kerbside cleanup	Customer satisfaction	81%	92.2%	93.8%	
	Park and street bins	(N.B. Above are generic targets for all components listed at left)				
	Special events					
	Dead animals					
Recycling	Kerbside recycling service	No. of missed services	<0.08%	0.023%	0.029%	
		No. of other complaints	<0.04%	0.004%	0.005%	
		Customer satisfaction	81%	92.2%	93.8%	
		Increase in participation rate	70%	71.47%	74.08%	
		Recycling rate per service	4.99kg	5.58kg	5.20kg	
		Recycling rate per capita	45kg	47.6kg	45.5kg	
		Increase in total tonnage recycled	16,672t	19,907t	19,364t	
		Landfill recycling	Increase in total tonnes recycled (excluding greenwaste and concrete)	5,832t	5,588t	8,848t
		Transfer station recycling	Increase in net financial returns from the sale of recyclables	\$40,000	\$54,493	\$63,025
			Increase in total tonnes recycled	838t	3,041t	1,258t
		Greenwaste recycling	Increase in total tonnes recycled	26,464t	39,180t	38,855t
		Concrete recycling	Increase in total tonnes recycled	11,500t	13,340t	NIL
		Total recycling statistics	Increase in total City waste recycled annually	61,385t	79,827t	65,372t

Financial

Indicator	2001-2002	2002-2003
Operating profit (before tax and abnormals)	\$9,998,859	\$16,335,860
Return on turnover (after tax)	17%	25%
Return on net operating assets (after tax)	16%	22%
Debt-equity ratio	9% debt: 91% equity	7% debt: 93% equity
Total financial distribution to Council	\$6,999,200	\$10,185,102

COUNCIL DIRECTIONS TO GOLD COAST WASTE MANAGEMENT DURING 2002-2003

Section 581(2)(c) of the *Local Government Act 1993* requires that the annual statement on the operations of the commercial business unit must contain “particulars of any directions (including directions about community service obligations to be carried out by the unit) to the unit for the financial year”. The business unit was required by Council to implement the following decisions:

- **Solid Waste Advisory Committee:** endorsement of the status report of the Solid Waste Advisory Committee (Co2.0726.006 and Co2.0906.009).
- **Alternate waste management treatment technologies:** 20 recommendations on alternative waste technologies including entering a partnership with Tweed Shire Council for further investigation of alternative waste technologies (Co2.0726.008).
- **2020 Vision On Waste:** endorsement of one recommendation relating to the adoption of the 2020 Vision On Waste: A Solid Waste Management Strategic Plan for Gold Coast City (Co2.0906.009).
- **Environmental performance:** endorsement of the Annual Environmental Performance Report and the Annual Monitoring Report for Council’s landfills (Ho2.1010.005).
- **September quarterly budget review – significant items:** report on the downward trend in revenue for Council’s landfills (about \$1 million) and review the capital expenditure program for Waste Management. Also, acceptance of a federal grant of \$84,000 to upgrade Council’s waste oil recycling facilities (Ho2.1010.008).
- **Tugun Recyclers Market:** decision to accept no tender for the Tugun Recyclers Market; to inspect other recycling facilities and to devise a new plan for future use of the Tugun site (Ho3.0213.003).
- **Secondary report on the September quarterly budget review – significant items:** update Council on the financial situation with its landfills where a steady recovery of (lost) revenue has occurred and approve a price-on-application approach where significant volumes of waste are involved (Ho3.0213.004).
- **Feasibility of supplying mulch free to City residents:** to take no action to supply mulch free to City residents to note that under the water-saving incentive scheme discounts for mulching are available (Ho3.0501.007).
- **Proposed collaborative agreement for the provision of landfill revegetation services:** endorsement of the collaborative agreement between Council and Gecko (Gold Coast and Hinterland Environment Council) for the landfill revegetation program (Go3.0509.020).



Recycling of garden waste creates useful mulch

Community financial report

OVERVIEW OF COUNCIL'S FINANCIAL PERFORMANCE

Council is required under section 44 of the *Local Government Finance Standard 1994* to present a community financial report. The objective of this report is to provide clear and concise information about the financial position, performance and changes in financial position of the Gold Coast City Council for the financial year under review i.e. 2002-2003.

Statement of financial performance

The statement of financial performance shows the revenues and expenses of Council and discloses the extent to which operating capability has been maintained, decreased or increased over the period. Reference should be made to the notes accompanying the financial statements in this annual report (refer pages 82 to 107) to make a detailed assessment of the contents of this community financial report.

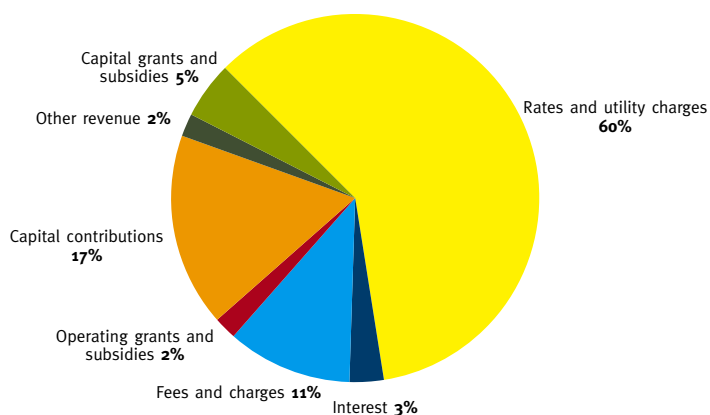
Summarised statement of financial performance for the years ended 30 June 2001 – 2003

	2003 \$'000	2002 \$'000	2001 \$'000
What Council earned			
Total operating income	413,968	400,811	364,168
Total capital income	118,993	88,308	78,665
Total income from ordinary activities	532,961	489,119	442,833
Deduct: what Council spent			
Total expenses from ordinary activities	439,971	412,445	406,534
Net result for period	92,990	76,674	36,299

Total capital income includes capital grants and subsidies, developer's cash contributions and contributed assets. See notes 7 and 8 (page 99) of Council's financial statements for more detail.

The following chart reflects Council's revenue sources. The mix of funding sources has been relatively stable in the past few years, with Council obtaining the majority of its revenue from rates and utility charges.

Council revenue 2003



Note: 'Other revenue' as shown in the above graph includes contributions and donations.

There are a number of observations that can be made in respect to the 2002-2003 financial statements when compared to the 2001-2002 period. They are as follows:

Rates and utility charges - \$316.7 million

Rates and utility charges income has increased by \$7.5 million (2.4 percent). This increase includes income because of the City's growth. Council also provided a discount and pensioner remission of \$36.6 million for the year.

Interest income - \$14.7 million

Interest income increased by \$3.3 million (29 percent). This is primarily due to higher average official interest rates during 2002-2003 compared to the prior period and the higher level of funds available for investment during the year.

Fees and charges - \$57.6 million

Fees and charges income increased by \$4.6 million (8.6 percent). This is primarily due to:

1. Building development fees increasing \$3.5 million due to a higher level of building activity and a fee structure that reflects a higher level of recovery of costs involved in providing the service;
2. Tourist park fees being \$0.5 million higher than last year;
3. Licence fees being \$0.2 million higher than last year; and
4. Property information fees being \$0.4 million higher than last year.

A summary of the fees and charges revenue earned for the years being compared is shown in the following table:

Fees and charges	2002-2003 \$'000	2001-2002 \$'000
Building and development fees	17,193	13,639
Tourist park fees	7,346	6,787
Infringements	4,262	3,901
Licences	6,572	6,401
Property information fees	2,643	2,124
Private works	1,848	3,014
Parking meters	2,591	2,400
Refuse tipping fees	4,519	4,390
Trade waste fees	2,407	3,076
Water supply service fees	2,337	2,418
General service fees	5,931	4,926
	57,649	53,076

Capital contributions - \$90.2 million

Capital contributions income increased by \$29.4 million (48 percent) due to a higher value of developer contributed fixed assets of \$22.2 million (68 percent) and higher developers cash contributions of \$6.2 million (23 percent). The cash funds are allocated to a specific reserve and utilised as a source of funding when the construction of the applicable assets occurs.

Community financial report

Contributions and donations - \$1.2 million

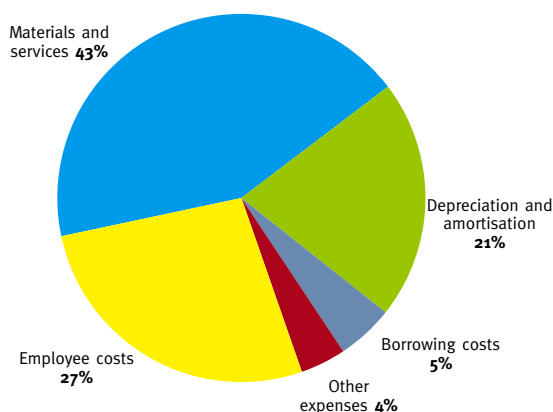
Operating contributions and donations income decreased by \$2.9 million (70 percent) due to a lower level of operating contributions received. The 2001-2002 year included a \$2.8 million contribution towards the Surfers Paradise Traffic Management Scheme.

Capital Grants and Subsidies - \$28.7 million

Capital grants and subsidies income increased by \$9.9 million (52 percent). This is primarily due to an increase in the capital grant received for the Surfers Paradise Traffic Management Scheme.

The following chart reflects the composition of Council's expenses and includes all costs in constructing non current assets:

Council expenditure 2003



Note: 'Other expenses' as shown in the above graph include loss on disposal of non-current assets.

Employee costs - \$150.1 million

Employee costs have increased by \$10.7 million (7.7 percent). This is primarily due to higher wages of \$8 million (7.6 percent) and higher employee entitlements of \$1.8 million (9.9 percent) and superannuation payments of \$1 million (8.5 percent). Employee costs includes the cost of agency staff.

Materials and services - \$236.6 million

Materials and services has increased by \$41.1 million (21 percent) primarily due to price increases in the cost of materials and additional capital works undertaken. Materials and services includes the cost of contractors and consultants.

Depreciation and amortisation - \$118.0 million

Depreciation and amortisation has increased by \$2.5 million (2.1 percent). The largest proportion of this expense \$35.2 million (30 percent) is attributable to depreciation of Council's roads, streets and bridges infrastructure.

Borrowing expenses - \$29.1 million

Borrowing expenses have increased by \$1.1 million (4.0 percent).

Other expenses - \$18.3 million

Other expenses have increased by \$2.1 million (12.7 percent). This is primarily due to an increase in contributions and donations expenses by \$1.4 million (15.1 percent).

STATEMENT OF FINANCIAL POSITION

Council's statement of financial position discloses information about assets and liabilities.

Summarised statement of financial position as at 30 June 2001 - 2003

	2003 \$'000	2002 \$'000	2001 \$'000
What Council owns			
Current assets	315,119	258,175	197,254
Non-current assets	3,672,516	2,931,583	2,903,292
Total assets	3,987,634	3,189,758	3,100,546
Deduct: what Council owes			
Current liabilities	94,377	74,792	73,154
Non-current liabilities	308,796	296,492	290,754
Total liabilities	403,173	371,284	363,908
Net community equity (assets - liabilities)	3,584,461	2,818,474	2,736,638

Current assets - \$315.1 million

Total current assets increased by \$56.9 million (22 percent). Included in current assets are:

- **Receivables - \$41.2 million**

The receivables balance has decreased by \$3.4 million (7.7 percent). This decrease reflects a reduction in rates debtors.

- **Cash and deposits - \$271.5 million**

Cash and deposits balance has increased by \$60.5 million (28.6 percent). This is primarily due to higher short-term deposits.

Non-current assets - \$3,672.5 million

Total non-current assets balance increased \$740.9 million (25.3 percent) of which \$673 million relates to revaluation of roads, water and sewerage infrastructure.

Total liabilities - \$403.1 million

Total liabilities have increased by \$31.9 million (8.6 percent).

Community equity - \$3,584.5 million

Total community equity has increased by \$765.9 million (27.2 percent) primarily because of non-current asset revaluations. This is interpreted to mean that there has been an increase in net resources that may be utilised for the City's operational and infrastructure requirements, and therefore the community's net investment.

KEY FINANCIAL RATIOS

Council has in place the following 'macro' financial performance targets:

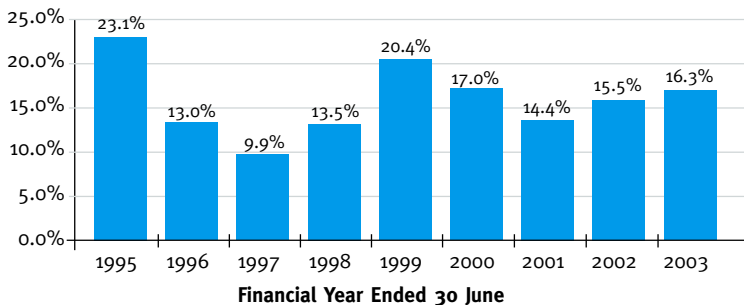
Ratio	Target and result
long term credit rating	= AA+ – last assessed as AA+ in year 2000
$\frac{\text{debt service cost (interest and redemption)}}{\text{total revenue}}$	= 15 to 20 percent – presently 16 percent (based on 2002-2003 actuals) (refer Graph 1 that follows)
$\frac{\text{net debt}}{\text{total revenue}}$	= 75 to 85 percent – presently 75 percent (based on 2002-2003 actuals)
$\frac{\text{funds flow from operations}}{\text{net debt}}$	= 40 to 45 percent – presently 42 percent (based on 2002-2003 actuals)
current ratio: $\frac{\text{current assets}}{\text{current liabilities}}$	= A minimum 1.5 : 1 – currently 3.34:1 (as at 30 June 2003) (refer Graph 2 that follows)
net change in community equity	= At least no decrease each year. Last annual increase was 27 percent (based on 2002-2003 actuals)

Debt servicing ratio

This ratio measures Council's ability to service its outstanding debt.

This ratio shows that Council has a very good capacity to service its outstanding debt.

Graph 1 - debt servicing ratio



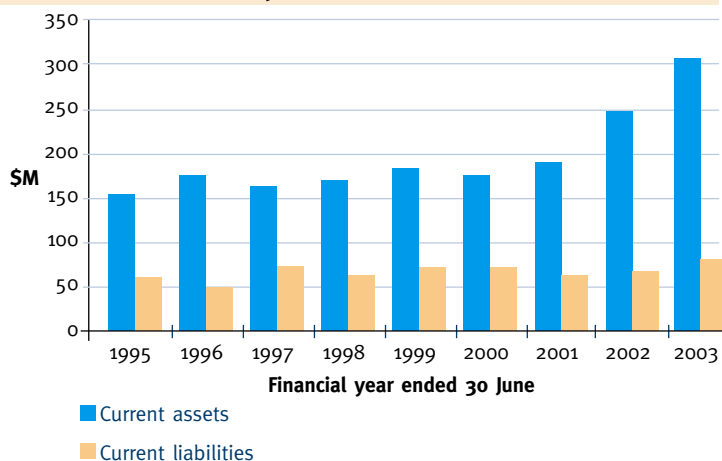
Gold Coast City Council Administration Building, Nerang

Current ratio

The current ratio assesses Council's ability to meet its current obligations when they fall due in the short term.

The ratio as at 30 June 2003 was 3.34:1. A result over 1.5:1 is considered sound.

Graph 2 - current ratio



Would you like more information about Council's financial statements?

If you would like any further information about this Community Financial Report or the financial statements that follow on pages 82 to 107, contact Council's Corporate Finance section by telephoning (07) 5581 6321 or e-mail: plan&perform@goldcoast.qld.gov.au

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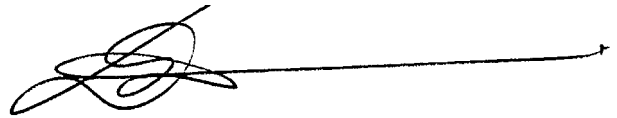
MANAGEMENT CERTIFICATE

We certify that in relation to the following statements for the **COUNCIL OF THE CITY OF GOLD COAST**, in our opinion:

- (a) the requirements under the *Local Government Act 1993* for the keeping of the accounts have been complied with in all material respects; and
- (b) the financial statements for the year ended 30 June 2003, and supporting notes, present its operating results, cash flows and financial position as required by the *Act*.



Gary J Baidon
MAYOR
1 December 2003



Dale Dickson
CHIEF EXECUTIVE OFFICER
1 December 2003

INDEPENDENT AUDIT REPORT

TO THE MAYOR OF THE GOLD COAST CITY COUNCIL

Matters relating to the electronic presentation of the audited financial statements

The audit report relates to the financial statements of the Gold Coast City Council for the financial year ended 30 June 2003 included on the Gold Coast City Council web site. The Council is responsible for the integrity of the Gold Coast City Council's web site. The audit report refers only to the financial statements identified below and does not include a review of the integrity of this web site or provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements, available from the Gold Coast City Council, to confirm the information included in the audited financial statements presented on this web site.

These matters also relate to the presentation of the audited financial statements in other electronic media including CD Rom.

Scope

The financial statements

The financial statements of the Gold Coast City Council include the consolidated financial statements of the consolidated entity comprising the Gold Coast City Council and the entities it controlled at the end of the year or from time to time during the year. The financial statements consist of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial statements and certificates given by the Mayor and the Chief Executive Officer for the year ended 30 June 2003.

Council's responsibility

The Council is responsible for the preparation and true and fair presentation of the financial statements, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit approach

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial statements present fairly, in accordance with the prescribed requirements.

Audit procedures included -

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial statements,
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Council,
- obtaining written confirmation regarding the material representations made in conjunction with the audit, and
- reviewing the overall presentation of information in the financial statements.

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Audit Opinion

In accordance with section 532 of the *Local Government Act 1993* -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Gold Coast City Council and the consolidated entity for the financial year 1 July 2002 to 30 June 2003 and of the financial position as at the end of that year.

Brett Delaney
as Delegate of the Auditor-General of Queensland

10 December 2003
Brisbane

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2003

	NOTE	2003 (\$)	2002 (\$)
REVENUE FROM ORDINARY ACTIVITIES			
Operating income			
Rates and Utility Charges	3	353,240,926	344,097,479
Less: Discount and Pensioner Remission		(36,587,184)	(34,918,555)
		<u>316,653,742</u>	<u>309,178,924</u>
Fees and Charges	4	57,648,706	53,076,713
Interest	5	14,708,183	11,400,170
Other Revenue	6	11,840,128	12,448,971
		<u>84,197,017</u>	<u>76,925,854</u>
Contributions and Donations	7	1,249,210	4,162,487
Operating Grants and Subsidies	8	11,867,991	10,543,696
		<u>13,117,201</u>	<u>14,706,183</u>
Total Operating Income		<u>413,967,960</u>	<u>400,810,961</u>
Capital Income			
Capital Contributions	7	90,242,913	60,794,691
Capital Grants and Subsidies	8	28,750,577	18,863,730
Market Value Fluctuation on QTC Loans	20.3	-	8,649,885
Total Capital Income		<u>118,993,490</u>	<u>88,308,306</u>
Total Revenue from Ordinary Activities		<u>532,961,450</u>	<u>489,119,267</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Employee Costs	10	150,097,025	139,429,037
Materials and Services		236,591,403	195,523,018
Depreciation and Amortisation	17	118,012,346	115,560,800
Loss on Disposal of Non-Current Assets	9	1,860,830	3,908,751
Borrowing Costs	11	29,115,644	27,984,230
Other	12	18,330,010	16,266,344
		<u>554,007,258</u>	<u>498,672,180</u>
Less: Capitalised Expenses		(114,035,809)	(86,227,432)
Total Expenses from Ordinary Activities		<u>439,971,449</u>	<u>412,444,748</u>
RESULT FROM ORDINARY ACTIVITIES		<u>92,990,001</u>	<u>76,674,519</u>
NET RESULT FOR PERIOD			
		<u>92,990,001</u>	<u>76,674,519</u>
Increase in Asset Revaluation Reserve	17	673,071,377	21,127,373
Adjustment on Initial Recognition of Assets		(73,290)	(15,965,692)
TOTAL CHANGE IN COMMUNITY EQUITY		<u>765,988,088</u>	<u>81,836,200</u>

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2003

	NOTE	2003 (\$)	2002 (\$)
CURRENT ASSETS			
Cash Assets	13	271,502,075	211,043,638
Receivables	14	40,396,378	43,762,905
Inventories	15	2,644,480	2,814,851
Prepayments		575,968	553,461
TOTAL CURRENT ASSETS		315,118,901	258,174,855
NON-CURRENT ASSETS			
Receivables	16	797,076	877,587
Property, Plant and Equipment	17	3,671,718,522	2,930,704,966
TOTAL NON-CURRENT ASSETS		3,672,515,598	2,931,582,553
TOTAL ASSETS		3,987,634,499	3,189,757,408
CURRENT LIABILITIES			
Payables		31,846,092	20,814,181
Unearned Revenue	18	1,692,677	1,082,802
Provisions	19	18,417,424	17,493,655
Interest Bearing Loans	20	42,140,512	35,061,619
Interest Bearing Lease Liabilities	22(c)	279,974	339,458
TOTAL CURRENT LIABILITIES		94,376,679	74,791,715
NON-CURRENT LIABILITIES			
Provisions	19	19,815,370	18,135,295
Interest Bearing Loans	20	288,980,979	277,666,352
Interest Bearing Lease Liabilities	22(c)	-	690,663
TOTAL NON-CURRENT LIABILITIES		308,796,349	296,492,310
TOTAL LIABILITIES		403,173,028	371,284,025
NET COMMUNITY ASSETS		3,584,461,471	2,818,473,383
COMMUNITY EQUITY			
Retained Capital		2,672,489,634	2,597,719,456
Reserves		911,971,837	220,753,927
TOTAL COMMUNITY EQUITY		3,584,461,471	2,818,473,383

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2003

	Retained capital \$	Constrained works reserve \$	Other operating reserves \$	Capital projects reserve \$	*Self insurance reserve \$	Subsidiary companies' reserves \$	Asset revaluation reserve \$	Total community equity \$
Balance at beginning of year	2,597,719,456	138,238,679	17,659,200	6,836,082	5,820,551	667,060	51,532,355	2,818,473,383
Initial recognition of assets	(73,290)	-	-	-	-	-	-	(73,290)
Asset revaluations	-	-	-	-	-	-	673,071,377	673,071,377
Change in net assets resulting from operations	51,011,118	31,992,506	429,472	4,484,240	4,578,449	494,216	-	92,990,001
Transfers to/(from) reserves	23,832,350	(20,614,234)	-	(3,218,116)	-	-	-	-
Balance at the end of the year	2,672,489,634	149,616,951	18,088,672	8,102,206	10,399,000	1,161,276	724,603,732	3,584,461,471

* Refer Note 31 for further details on the Self Insurance Reserve

FOR THE YEAR ENDED 30 JUNE 2002

	Retained capital \$	Constrained works reserve \$	Other operating reserves \$	Capital projects reserve \$	*Self insurance reserve \$	Subsidiary companies' reserves \$	Asset revaluation reserve \$	Total community equity \$
Balance at beginning of year	2,562,136,976	126,849,705	5,404,497	7,464,273	4,121,261	255,489	30,404,982	2,736,637,183
Initial recognition of assets	(15,965,692)	-	-	-	-	-	-	(15,965,692)
Asset revaluation	-	-	-	-	-	-	21,127,373	21,127,373
Change in net assets resulting from operations	32,764,844	25,471,224	12,254,703	4,072,887	1,699,290	411,571	-	76,674,519
Transfers to/(from) reserves	18,783,328	(14,082,250)	-	(4,701,078)	-	-	-	-
Balance at the end of the year	2,597,719,456	138,238,679	17,659,200	6,836,082	5,820,551	667,060	51,532,355	2,818,473,383

* Refer Note 31 for further details on the Self Insurance Reserve

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2003

	NOTE	2003 (\$)	2002 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates and Utilities		321,979,414	303,547,819
Fees and Charges		55,467,101	49,840,837
Interest		14,163,239	12,363,952
Contributions		1,249,210	4,162,487
Grants and Subsidies		11,867,991	10,543,696
Disposal of Land Held for Resale		-	222,671
GST Receipts		24,731,865	22,655,787
Other		12,487,233	12,674,027
		<u>441,946,053</u>	<u>416,011,276</u>
Payments			
Employee Costs		147,493,181	136,243,029
Materials and Services		111,384,767	106,317,224
Borrowing Costs		29,115,644	27,984,230
GST Payments		24,995,400	21,543,165
Other		17,250,489	13,450,964
		<u>330,239,481</u>	<u>305,538,612</u>
Net Cash Inflow (Outflow) from Operating Activities	23	<u>111,706,572</u>	<u>110,472,664</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		3,411,207	4,329,543
Payments for Property, Plant and Equipment		(136,999,694)	(114,566,796)
Net Cash Inflow (Outflow) from Investing Activities		<u>(133,588,487)</u>	<u>(110,237,253)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		50,844,424	49,207,600
Repayment of Borrowings		(32,450,904)	(39,068,705)
Capital Contributions Received		35,535,716	28,255,034
Capital Grants and Subsidies Received		28,750,577	18,863,730
Repayment of Finance Lease Principal		(339,461)	(304,455)
Net Cash Inflow (Outflow) from Financing Activities		<u>82,340,352</u>	<u>56,953,204</u>
NET (DECREASE)/INCREASE IN CASH HELD		60,458,437	57,188,615
Cash at the Beginning of the Financial Year		211,043,638	153,855,023
Cash at the End of the Financial Year	13	<u>271,502,075</u>	<u>211,043,638</u>

Note: Council has a bank overdraft facility available to the extent of \$250,000 (2002 \$250,000)

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF ACTIVITIES TO WHICH THE CODE OF COMPETITIVE CONDUCT APPLIES FOR THE YEAR ENDED 30 JUNE 2003

Definitions of Activities:

Before the end of each financial year, the Minister must decide for the financial year, the expenditure amounts (the "threshold amounts") for identifying a "significant business activity" that should be a type 1 or 2 business activity.

Significant business activities where the threshold expenditure has been set by the Minister for the year ended 30 June 2003 are as follows:

- Type 1** (a) for water and sewerage combined activities - \$32.4 million
 (b) for other activities - \$19.4 million
- Type 2** (a) for water and sewerage combined activities - \$9.7 million
 (b) for other activities - \$6.5 million

Council has resolved to commercialise the activities which fall into the expenditure guidelines above.

Type 3 "Business activities" of a local government are divided into two categories:

- (a) Business Activities - trading in goods and services to clients in competition with the private sector, or the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to itself. Excluded activities are library services or an activity or part thereof prescribed by legislation.
- (b) Roads Business Activities - the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation other than through a sole supplier arrangement, submission of a competitive tender for construction or road maintenance on local government roads which the local government has put out to tender, or called for by another local authority.

The local government may elect to apply a Code of Competitive Conduct (CCC) to their identified type 3(a) business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within the activity. The application of the CCC to the roads business activity is compulsory. For the purposes of full cost pricing, costs have been allocated to activities on the basis of direct costs incurred in the activity, while indirect costs have been appropriated on the basis of a model agreed by Council. The allocated basis will be reviewed annually.

Council has resolved in relation to the activities listed below to implement the following reforms:

Activity	Reform	Reason for code not being adopted
Gold Coast Water	Type 1	
Waste Management	Type 1	
Tourist Parks	CCC	
Reedy Creek Quarry	CCC	
Building Certification Group	CCC	
State Controlled Roads	CCC	
Community Facilities	No Reform	Incur relatively low level of competition and normally operate at a loss.
Off-Street Car Parking	No Reform	Incur relatively low level of competition and normally operate at a loss.
Swimming Pools	No Reform	Incur relatively low level of competition and normally operate at a loss.
Cemeteries	No Reform	Incur relatively low level of competition and normally operate at a loss.

Financial details for Gold Coast Water and Waste Management are presented within Note 2.

STATEMENT OF ACTIVITIES TO WHICH THE CODE OF COMPETITIVE CONDUCT APPLIES cont'

The type 3 activities listed below are those to which Council has resolved to apply the Code of Competitive Conduct:

	Building Certification Group Actual \$	Reedy Creek Quarry Actual \$	Tourist Parks Actual \$	State Controlled Roads Actual \$
Revenue				
Revenue for services provided to the Council	-	965,687	-	265,000
Revenue for services provided to external clients	1,651,861	622,044	7,239,241	668,800
Community service obligations	128,366	-	-	-
Total Revenue	1,780,227	1,587,731	7,239,241	933,800
Less: Expenditure	1,533,478	1,782,380	5,054,540	883,329
Surplus/(Deficiency)	246,749	(194,649)	2,184,701	50,471

Community Service Obligations (CSO)

The CSO value is determined by Council and represents an activity's cost/s which would not be incurred if the activities primary objective were to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council. Details of CSO's relevant to Council's Type 1 activities are presented below:

Activity	CSO Description	Actual \$	Budget \$
Gold Coast Water	Eligible rate donations pertaining to charitable organisations and water leakage.	2,647,580	4,847,270
Waste Management	Free of charge collection and disposal of waste for community and sporting organisations.	7,052,645	7,102,211

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

These financial statements are general purpose financial statements prepared under the accrual basis of accounting in accordance with Australian Accounting Standards, Urgent Issues Group Consensus View, the *Local Government Act 1993* and the *Local Government Finance Standard 1994*.

Except where specifically stated that current cost valuation methodologies have been utilised, the historic cost convention has been applied.

(b) Transitional Provisions

During reporting periods prior to 1998-1999 Council elected under the provisions of the *Local Government Finance Standard 1994* not to recognise in the Statement of Financial Position all its infrastructure assets before 1 July 1994. In 1998-1999 these assets were identified and brought to account against the class of assets to which they relate.

(c) Accounting Policies

Accounting policies adopted are consistent with those of the previous year.

(d) Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). As such, input tax credits receivable and GST payable from/to the Australian Tax Office are recognised and accrued.

(e) The Reporting Entity

For the purposes of the financial statements the reporting entity includes the consolidation of:

- The operations of the Council of the City of Gold Coast and
- The operations of Citipac International Pty Ltd and Gold Coast Arts Centre Pty Ltd over which the Council exercises 100% control.

Separate disclosures for the controlling entity (Council of the City of Gold Coast) and the consolidated entity are not included in the financial statements due to the immaterial nature of the operations of Citipac International Pty Ltd and Gold Coast Arts Centre Pty Ltd. In the process of preparing the consolidated statements, all assets and liabilities of the controlled entities at 30 June 2003 and the results of these entities for the year ending 30 June 2003 have been incorporated after eliminating all inter-entity and internal transactions in full.

(f) Comparatives

Where necessary, comparative figures for the previous year have been adjusted to conform to changes in presentation made in the current year.

(g) Non-Current Assets Threshold

Items of property, plant and equipment are fully capitalised other than the following, which are expensed in accordance with the stated thresholds:

Item	Threshold
Musical equipment	≥ \$500
Protective clothing	≥ \$1,000
Land	≥ 100sqm

The aggregate of costs for the accounting period pertaining to individual assets acquired for less than \$10,000 that do not constitute additions to existing financial assets, are capitalised into a Network Asset within the appropriate asset class. Network Assets predominantly exist within the asset classes of Plant, Artworks, Library Books and Office Furniture and Equipment.

(h) Value of Non-Current Assets Acquired

All assets purchased or constructed during the current accounting year have been brought to account at cost. Cost is determined as the fair value of the assets given as consideration plus costs incurred in getting the assets ready for use. Where Council has constructed non-current assets, cost includes the cost of all services, materials and plant used in construction, direct labour on the project and an appropriate proportion of labour overheads.

All non-current assets contributed to Council during the current accounting period have been brought to account as contribution revenue based on the fair value of each asset at the time of acquisition. The fair value of contributed infrastructure assets is deemed to be the lower of the replacement or reproduction cost embodied in the asset. With the exception of land, the fair value of contributed assets are based on rates determined by external engineering consultants or on industry standards deemed appropriate by Council staff who are suitably qualified in their respective field. All land contributed to Council is valued by Taylor Byrne - Registered Valuer at respective dates during the financial year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES cont

(i) Revaluation of Non-Current Assets

With the exception of Plant, Office Furniture and Equipment and Library Books, capital non-current assets are valued at fair value. Where there is no active market in the assets, fair value is the replacement cost less accumulated depreciation. Non-current assets other than Office Furniture and Equipment and Library Books are required to be revalued at least every five years, or earlier if necessary, so that the carrying amount of each asset class does not materially differ from its fair value at reporting date.

Roads, Water and Sewerage Infrastructure were revalued in the 2002-2003 financial period.

(j) Recognition of Non-Current Assets

- (i) Plant and Equipment
All plant and equipment owned or controlled by Council as at 30 June 2003 has been brought to account at historic cost.
- (ii) Artwork
Artwork was revalued to current market value as at 1 July 2000. Current market value was determined by Macauley Partners - Curatorial Valuers for artworks over \$1,000 in value as at 30 June 2000 and by John Walsh, Art Gallery Manager for artworks \$1,000 in value or below as at 30 June 2000.
- (iii) Computer Hardware and Software
Computer hardware and software assets acquired prior to 1 July 1994 have been brought to account at their written down current replacement cost. Assets acquired since 30 June 1994 have been brought to account at historic cost.
- (iv) Land Owned by Council
Land parcels were revalued based on independent valuations determined by three separate registered valuers (Taylor Byrne, PRP Valuers & Consultants Gold Coast and Herron Todd White Valuers) as at 30 March 2001 using the deprival value concept.
- (v) Assets Contributed by Developers
Land contributed to Council since 30 June 1995 (and converted to fee simple title) has been recognised and independently valued by Taylor Byrne (Registered Valuer) as at 30 June within the year of dedication. All other contributed assets are recognised from the date Council gains control at a value determined in accordance with the valuation methodology of the respective asset class. Council is deemed to gain control from the date in which the respective assets reach the development stage of "On Maintenance".
- (vi) Library Books
Council owned library books acquired since 30 June 1994 have been recognised as network assets and valued at historic cost.
- (vii) Buildings
As at 30 June 2002 buildings over \$50,000 and with a useful life greater than 10 years were revalued based on independent valuations or an indexation to current prices. Independent valuations were determined by three separate registered valuers (WT Partnership – Quantity Surveyors and Construction Cost Consultants, BWP - Quantity Surveyors, Project Managers and Facility Managers and Taylor Byrne) using the fair value concept. Indexation was based on a review of industry sources for building prices.
- (viii) Water and Sewerage Infrastructure
Water and Sewerage Infrastructure were revalued as at 30 June 2003 based on valuations determined by Cardno MBK Consulting Engineers using the fair value concept.
- (ix) Footpaths
Footpaths were revalued as at 30 June 2002 based on valuations determined by Council Engineers who are suitably qualified in their respective field, using the fair value concept.
- (x) Beaches and Watercycles
Council owned beaches and watercycles infrastructure were revalued as at 30 June 2002 based on valuations determined by Council engineers who are suitably qualified in their respective field, using the fair value concept.
- (xi) Land Improvements
Council owned land improvements constructed or acquired since 30 June 2001 have been brought to account at historical cost. All other land improvements over \$50,000 and with a useful life greater than 10 years have been revalued based on valuations determined by Council officers who are suitably qualified in their respective field or an indexation to current prices, using the fair value concept. Indexation was based on a review of industry sources for building prices.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES cont

(j) Recognition of Non-Current Assets cont

(xii) Sports and Recreational Facilities

Council owned sports and recreational facilities constructed or acquired since 30 June 2001 have been brought to account at historical cost. All other sports and recreational facilities over \$50,000 and with a useful life greater than 10 years have been revalued based on an indexation to current prices, using the fair value concept. Indexation was based on a review of industry sources for building prices.

(xiii) Roads Infrastructure

Council owned roads infrastructure constructed or acquired since 30 June 2002 have been brought to account at historical cost. All other roads infrastructure have been revalued based on valuations determined by internal costings and Council engineers who are suitably qualified in their respective field, using the fair value concept.

(xiv) Other Infrastructure Assets

Other infrastructure assets were brought to account during the 1998-1999 reporting period based on valuations determined by Council Engineers who are suitably qualified in their respective field, using the deprival value concept.

(k) Depreciation of Non-Current Assets

Non-current assets having a limited useful life are depreciated on a straight-line basis using rates which reflect the consumption of the service potential embodied in those assets. Land is not depreciated as it has an unlimited useful life.

Office and General Equipment, Artwork and Plant are depreciated from the first day of the month following the date of acquisition. Constructed infrastructure assets are depreciated from the first day of the month following date of completion. Contributed infrastructure assets are depreciated from the date they reach the development stage of "On Maintenance". Network assets are depreciated from the beginning of the financial year following the date of acquisition.

Major depreciation periods are:

Plant	2 to 20 years
Office and General Equipment	2 to 10 years
Artwork	100 years
Library Books	3 to 40 years
Land Improvements	20 to 100 years
Buildings	10 to 50 years
Roads, Streets and Bridges	10 to 100 years
Footpaths, Bikeways and Boardwalks	5 to 50 years
Flood Mitigation and Drainage	10 to 75 years
Water Infrastructure	10 to 150 years
Sewerage Infrastructure	10 to 80 years
Other Structures	10 to 50 years

Useful life of infrastructure assets is determined from the weighted average of individual component lives that together comprise the financial asset.

(l) Sale of Non-Current Assets

Gains or losses arising from the sale of non-current assets are brought to account in the year of disposal.

(m) Inventories

Stores, materials and consumables are valued at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of weighted average cost.

(n) Investments

Cash investments are brought to account at net fair value and interest income is recognised as it accrues.

(o) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when Council obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained upon assessment or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon receipt.

Any unexpended grants and contributions subject to an external constraint are transferred to the constrained works reserve at year end.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES cont

(p) Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date.

(i) Annual Leave

The liability for annual leave is measured at the nominal amount based on remuneration rates which are expected to be paid when the liability is settled and includes related employee on-costs.

(ii) Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The liability includes related employee on-costs.

The liability has been arrived at on the basis of a weighted average increase in annual employee benefits of 5% (2002: 5%) over the period to full entitlement, a weighted average term to full entitlement of 4.15 years (2002: 4.13 years) and a weighted average discount rate of 4.6% (2002: 5.65%) to measure the liability at its present value.

(iii) Sick Leave

Sick leave entitlements are non-vesting and expended when taken by employees and hence no recognition of sick leave has been made in the financial statements.

(iv) Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution Council makes to the Superannuation plan which provides benefits to employees. Details of those arrangements are set out in Note 24.

(q) Cash Flows

For the purposes of the statement of cash flows, cash includes cash on hand, cash contributions paid by developers, deposits held at call with banks (net of outstanding bank overdrafts) and short term investments in money market instruments.

(r) Interest Bearing Loan Liabilities

All loans due by Council are administered by the Queensland Treasury Corporation (Q.T.C.) under a debt pooling arrangement. The loans are disclosed in the Statement of Financial Position at the year-end market value based on rates determined by Q.T.C.

Loan finance charges are separated into book debt and market value portions. Book debt finance charges represent Q.T.C. administration costs and notional book interest charges based on a Weighted Average Participation Rate (WAPR) adjusted to amortise a portion of market value fluctuations. The difference between the market value and notional book value of the loans is disclosed as a Provision for Market Value Fluctuation. The net movement in the Provision for Market Value Fluctuation during the year represents the market value finance charge.

(s) Leases

Leases of plant and equipment under which the Council assumes substantially all the risks and benefits of ownership are classified as finance leases and amortised on a straight line basis over the term of the lease. All other leases where the lessor effectively retains substantially all the risks and benefits are classified as operating leases.

Leases identified as being finance leases are capitalised. A lease asset and a liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as an expense in the Statement of Financial Performance.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged as an expense in the Statement of Financial Performance in the periods in which they are incurred.

(t) Components of Equity

(i) Retained Capital, Asset Revaluation Reserve and Subsidiary Companies Reserves

Taken together these accounts represent the amount of wealth currently required and in use by Council for its operations and to maintain its conventional assets and infrastructure at existing levels of operating capability.

(1) Retained Capital

This represents the amount of Council's net funds not set aside in reserves to meet specific future needs. The main part of this amount is not available for Council to spend as it has already been invested in assets used to provide services.

(2) Asset Revaluation Reserve

The asset revaluation reserve is comprised of adjustments relating to changes in value of assets which arise primarily from changes in the purchasing power of money. Net incremental changes in the carrying value of classes of capital non-current assets, since their initial recognition, are accumulated in this reserve. Where a class of asset is valued down, without a prior revaluation credit in the asset revaluation reserve, the asset revaluation decrement net of the corresponding adjustment to the accumulated depreciation is debited as an expense to the Statement of Financial Performance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES cont'

(t) Components of Equity con't

(3) Subsidiary Companies Reserves

Represents the consolidated equity of Citipac International Pty Ltd and Gold Coast Arts Centre Pty Ltd.

(ii) Constrained Works Reserve

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period and constrained for the purpose of funding specific capital expenditure. As the expenditure is incurred on specified capital assets the equivalent amounts are transferred to the retained capital. The closing balance reported at the period end represents amounts not yet expended and must be retained until expended in the manner specified by the contributor or relevant legislation.

(iii) Capital Projects Reserve

This reserve was created to provide a fund which will offset future infrastructure works.

(iv) Self Insurance Reserve

This reserve was created to provide a contingency amount to offset unforeseen self insurance pay outs for public liability and workers compensation.

(v) Other Operating Reserves

- Water Revenue Fluctuation This reserve was created to provide a contingency amount to offset the potential loss of excess water income due to a wet year and the move to a user-pays position.
- Wastewater Revenue Fluctuation Established to cater for any surpluses/shortfalls generated by a new consumption based wastewater price structure for non-residential customers that will commence in 2003-2004.
- Debt Fluctuation Provides for future funding for fluctuations in Council's debt servicing commitments.
- Gold Coast Marine Precinct Provides for future funding of interest and redemption for the Gold Coast Marine Precinct.
- Surfers Paradise Traffic Management Provides for the future operational cost of a section of the Gold Coast Highway transferred to Council responsibility from the Queensland Government.

(u) Trust Funds Held for Outside Parties

Funds held in the trust account on behalf of outside parties include those from the continued sale of land, security deposits lodged to guarantee performance and unclaimed monies paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because they cannot be used for Council purposes they are not considered revenue nor brought to account in the financial statements. They are disclosed in Note 25 to the financial statements for information purposes only.

(v) Land Controlled by Council

As at the reporting date Council has control of:

- (a) 7968.1ha of parks (including 180.6ha leased to sporting clubs) on land that is a reserve under the *Land Act 1962*, and
(b) 2796km of land under roads.

The *Local Government Finance Standard 1994* stipulates that this land does not have a value for the purposes of these financial statements.

(w) Unfunded Depreciation

Council has Unfunded Depreciation for the year ended 30 June 2003 to the value of \$60.5 million (2002 \$43.6 million). Depreciation expense for the year ended 30 June 2003 is \$118.0 million (2002 \$115.6 million).

For statutory accounting purposes Council calculates depreciation on a straight-line basis, which inherently assumes that an asset's service potential will decline evenly over its economic life. From an engineering perspective, it is not appropriate to assess the rundown in long life infrastructure assets by examining one accounting period in isolation. Rather it is examined over a longer period taking into account the timing and degree of renewals/replacement maintenance. Renewals/replacement maintenance effectively replenishes a portion of an infrastructure asset's physical wear and tear, which has accumulated over a number of years.

As a consequence, the degree of Unfunded Depreciation for any one accounting period can fluctuate significantly based on the timing of renewals/replacement maintenance undertaken on major infrastructure assets.

In addition, the method prescribed for calculating Unfunded Depreciation inherently assumes that all loans, developers' cash contributions and capital grants/subsidies fund an increase in Council's asset base and, as such, do not fund depreciation. This is not necessarily consistent with how asset renewals and refurbishments are funded by Council.

Given the nature of its calculation Council deems it impractical to relate Unfunded Depreciation to the physical rundown of individual assets or groups of assets.

2. STATEMENT OF SIGNIFICANT FUNCTIONS/ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2003

Function	Grant Revenue \$	Other Revenue \$	Total Revenue \$	Expenses \$	Net Result For Period \$	Assets \$
GOLD COAST CITY COUNCIL						
Gold Coast Water	21,249	200,784,740	200,805,989	197,474,414	3,331,575	1,518,542,532
Engineering Services	9,360,811	57,046,805	66,407,616	128,387,855	(61,980,239)	1,563,601,352
Community Services	905,806	39,052,725	39,958,531	107,853,449	(67,894,918)	592,694,356
Planning, Environment and Transport	11,000	20,375,695	20,386,695	33,413,628	(13,026,933)	8,233,468
Economic Development and Major Projects	12,608,308	1,258,140	13,866,448	9,871,548	3,994,900	29,787,400
City Governance	1,897,851	12,898,862	14,796,713	(85,130,076)	99,926,789	250,605
Organisational Services	6,533,377	187,737,731	194,271,108	48,317,901	145,953,207	231,134,813
Office of the CEO	753,834	4,599,944	5,353,778	12,612,603	(7,258,825)	192,119
Waste Management	97,440	30,921,319	31,018,759	39,676,095	(8,657,336)	41,251,262
Eliminations	-	(58,434,591)	(58,434,591)	(58,434,591)	-	-
	32,189,676	496,241,370	528,431,046	434,042,826	94,388,220	3,985,687,907
CITIPAC INTERNATIONAL PTY LTD	-	225	225	202	23	23,210
GOLD COAST ARTS CENTRE PTY LTD	-	4,530,179	4,530,179	5,928,421	(1,398,242)	1,923,382
	32,189,676	500,771,774	532,961,450	439,971,449	92,990,001	3,987,634,499

FOR THE YEAR ENDED 30 JUNE 2002

Function	Grant Revenue \$	Other Revenue \$	Total Revenue \$	Expenses \$	Net Result For Period \$	Assets \$
GOLD COAST CITY COUNCIL						
Gold Coast Water	73,692	217,685,101	217,758,793	175,546,040	42,212,753	1,239,897,564
Engineering Services	10,613,152	45,396,734	56,009,886	117,212,486	(61,202,600)	1,137,507,065
Community Services	863,889	27,491,994	28,355,883	91,237,036	(62,881,153)	575,885,328
Planning, Environment and Transport	45,000	15,080,656	15,125,656	23,888,105	(8,762,449)	8,280,362
Economic Development and Major Projects	1,775,614	2,982,977	4,758,591	6,740,688	(1,982,097)	8,294,307
City Governance	623,727	(8,404,876)	(7,781,149)	(90,737,284)	82,956,135	285,868
Organisational Services	6,099,783	159,708,427	165,808,210	72,691,378	93,116,832	161,061,685
Office of the CEO	781,327	3,473,386	4,254,713	11,656,645	(7,401,932)	127,642
Waste Management	-	40,641,793	40,641,793	38,530,391	2,111,402	56,748,139
Eliminations	-	(40,357,482)	(40,357,482)	(40,357,482)	-	-
	20,876,184	463,698,710	484,574,894	406,408,003	78,166,891	3,188,087,960
CITIPAC INTERNATIONAL PTY LTD	-	248	248	2,294	(2,046)	25,277
GOLD COAST ARTS CENTRE PTY LTD	-	4,544,125	4,544,125	6,034,451	(1,490,326)	1,644,171
	20,876,184	468,243,083	489,119,267	412,444,748	76,674,519	3,189,757,408

Total assets are reconciled with the amounts shown for assets in the statement of financial position as follows:

	2003	2002
	(\$)	(\$)
Current Assets	315,118,901	258,174,855
Non-Current Assets	3,672,515,598	2,931,582,553
	3,987,634,499	3,189,757,408

2. STATEMENT OF SIGNIFICANT FUNCTIONS/ACTIVITIES con't

The Statement of Significant Functions/Activities is based on the programs adopted by Council:

Gold Coast Water

Gold Coast Water provide a wide range of water and wastewater services which incorporates the catchment, purification, distribution, treatment and disposal of water and wastewater within the City of Gold Coast. This activity constitutes a type 1 business activity under the National Competition Policy guidelines and as such conforms to full cost pricing as outlined in the *Local Government Act 1993* and *Local Government Finance Standards 1994*.

Engineering Services

Engineering Services incorporates the design, construction and maintenance of the City's infrastructure associated with roads, drainage, flood mitigation, beaches and waterways. Engineering Services also manage Council's fleet and plant assets and operate Council's own quarry facility.

Community Services

Community Services undertake a broad range of regulatory services together with the provision and operation of community and recreational facilities within the City. The regulatory roles involve inspection and licensing in the areas of health, animal control, regulated parking and local laws. The provision of community and recreational facilities includes parks, community centres, libraries and major sporting facilities.

Waste Management

Waste Management incorporates operation and management of Council's waste transfer and disposal facilities together with the management of Council's waste collection and recycling contracts. This activity constitutes a type 1 business activity under the National Competition Policy guidelines and as such conforms to full cost pricing as outlined in the *Local Government Act 1993* and *Local Government Finance Standards 1994*.

Planning, Environment and Transport

Planning, Environment and Transport incorporates the strategic planning of the City's built environment including town and transportation planning together with building/plumbing inspection services.

Economic Development and Major Projects

Resources within this activity are directed towards encouraging economic growth within the City and developing specific infrastructure to complement business and economic diversity.

City Governance

Primarily this activity is concerned with the governance role within the organisation. Activities include legal services, internal audit, Council support, fraud prevention and value management.

Organisational Services

Organisational Services is a major service provider within the organisation, including levying and property data maintenance, accounting services, computer/network services, corporate supply (including accounts payable) and building maintenance services. Under the principles of full cost pricing, the costs associated with these services are distributed to Council's type 1 and 2 business activities via Service Level Agreements.

Office of the CEO

The Office of the CEO incorporates the executive administration together with policy development in the areas of human resource management and customer service focus.

	2003	2002
	(\$)	(\$)
3. RATES AND UTILITY CHARGES		
Bilinga Rock Wall Separate Rate	12,260	23,161
Somerset Place Special Levy	53,504	53,328
Canterbury Farm Separate Rate	30,135	30,695
Coolangatta Promotion Levy	79,150	77,909
General Rates	148,302,750	127,654,054
Open Space Levy	5,905,873	4,954,749
Rural Fire Brigade Levy	274,433	335,302
Sewerage Rates	93,446,874	90,737,060
Cleansing Charges	29,739,021	29,047,892
Gold Coast Marine Precinct Special Levy	533,136	4,176,038
Water Rates	74,863,790	87,007,291
	353,240,926	344,097,479
4. FEES AND CHARGES		
Building and Development Fees	17,192,967	13,638,874
Tourist Park Fees	7,346,189	6,786,808
Infringements	4,262,145	3,901,351
Licences	6,571,549	6,401,132
Property Information Fees	2,642,934	2,124,430
Private Works	1,847,631	3,014,065
Parking Meters	2,591,389	2,399,783
Refuse Tipping Fees	4,518,695	4,389,822
Trade Waste Fees	2,407,302	3,076,436
Water Supply Service Fees	2,337,029	2,417,592
General Service Fees	5,930,876	4,926,420
	57,648,706	53,076,713
5. INTEREST		
Interest on Rate Arrears	893,588	1,116,134
Interest on Invested Funds	13,814,595	10,284,036
	14,708,183	11,400,170
6. OTHER REVENUE		
Gold Coast Arts Centre Trading	4,452,334	4,485,316
State Govt. Fire Levy Commission	508,974	489,622
Legal Charges on Levy Arrears	135,134	166,183
Quarry Sales	622,044	397,822
Rental and Lease Revenue	2,511,764	2,344,055
Vehicle Leasing	777,824	805,703
Profit/(Loss) from Sale of Land Held for Resale	-	8,671
Sundry	2,832,054	3,751,599
	11,840,128	12,448,971

	2003	2002
	(\$)	(\$)
7. CONTRIBUTIONS AND DONATIONS		
Capital Contributions		
Developers' Cash Contributions	32,625,784	26,466,778
Contributed Assets	54,707,197	32,539,657
Other Capital Contributions	2,909,932	1,788,256
Total Capital Contributions	90,242,913	60,794,691
Operating Contributions and Donations	1,249,210	4,162,487
Total Contribution Revenue	91,492,123	64,957,178

8. GRANTS AND SUBSIDIES

Grants were received in respect of the following:

Roads and Drainage	9,345,603	10,150,509
Counter Disaster	195,083	111,926
Community Facilities	162,326	-
Traffic Management	12,508,678	1,775,614
National Competition Policy Financial Incentive	1,897,851	623,727
Traineeship Program	753,834	781,327
Grant for Council as a whole	6,533,377	6,099,783
Sporting Facilities	296,500	721,889
Youth Development	84,610	50,000
Other	411,814	561,409
Total Grant Revenue	32,189,676	20,876,184

Subsidies were received in respect of the following:

Water and Wastewater Infrastructure	2,377,478	5,134,996
Flood Risk Management	191,852	43,630
Emergency Services	-	5,000
Public Facilities	759,633	60,175
Libraries	3,546,495	1,785,748
Sea and River Erosion	-	485,742
Beaches and Foreshores	248,863	694,137
Streetscaping	743,750	75,000
Other	560,821	246,814
Total Subsidy Revenue	8,428,892	8,531,242
Total Grant and Subsidy Revenue	40,618,568	29,407,426

Capital Grant and Subsidy Revenue	28,750,577	18,863,730
Operating Grant and Subsidy Revenue	11,867,991	10,543,696
	40,618,568	29,407,426

9. LOSS ON DISPOSAL OF NON-CURRENT ASSETS

Proceeds from disposals	3,411,207	5,629,543
Add: Trade-in values	7,824,258	7,782,134
	11,235,465	13,411,677
Less: Carrying amount of assets disposed	13,096,295	17,320,428
Loss on disposal	(1,860,830)	(3,908,751)

	NOTE	2003 (\$)	2002 (\$)
10. EMPLOYEE COSTS			
Wages and Salaries		114,433,434	106,398,849
Employee Benefits		19,521,676	17,770,166
Payroll Tax		1,116,269	1,166,244
Fringe Benefits Tax		618,745	667,880
Superannuation		13,368,122	12,323,234
Workers' Compensation		841,880	819,415
Other Employee Related Costs		196,899	283,249
		150,097,025	139,429,037
11. BORROWING COSTS			
Bank Finance and Interest Charges		795,261	1,140,189
Interest on Finance Leases		95,951	130,957
Book Debt Finance Charges - QTC Loans	20.2	25,502,224	26,713,084
Market Value Fluctuation on QTC Loans	20.3	2,722,208	-
		29,115,644	27,984,230
12. OTHER EXPENSES			
Audit Fees		225,500	200,330
Bad and Doubtful Debts Expense		1,245,780	2,799,352
Contributions and Donations		10,337,754	8,979,040
Asset Capitalisation Reversal (Prior Years Costs)		5,300	14,000
Sundry		6,515,676	4,273,622
		18,330,010	16,266,344
13. CASH AND DEPOSITS			
Cash on Hand		75,015	64,715
Cash at Bank		1,670,193	51,070,929
Monies Held in Trust Fund		154,679,469	143,108,914
Short Term Deposits		115,077,398	16,799,080
		271,502,075	211,043,638
14. RECEIVABLES			
Rates Receivable		26,357,937	31,683,609
Interest on Rate Arrears		633,606	818,751
Accrued Investment Interest		1,848,963	1,118,874
Loans Receivable		274,390	255,485
Quarry Sales Receivable		69,235	51,636
State Govt. Subsidy on Rate Revenue		35,320	-
Infringements		6,630,271	5,802,978
Recoverable Private Works		646,035	969,177
Fees and Charges		5,773,797	4,563,565
Other Debtors		2,917,804	3,166,829
		45,187,358	48,430,904
Less: Provision For Doubtful Debts		4,790,980	4,667,999
		40,396,378	43,762,905

	2003	2002
	(\$)	(\$)
15. INVENTORIES		
Quarry Stockpile	134,446	271,469
Consumables	2,541,825	2,575,173
	<u>2,676,271</u>	<u>2,846,642</u>
Less: Provision For Slow Moving Inventory	31,791	31,791
	<u>2,644,480</u>	<u>2,814,851</u>

16. NON-CURRENT RECEIVABLES

Loans Receivable	<u>797,076</u>	<u>877,587</u>
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17. PROPERTY, PLANT AND EQUIPMENT

	Opening W.D.V \$	Additions \$	Disposals \$	Revaluations \$	Deprec. \$	Closing W.D.V. \$	Closing Accum Dep \$	Closing Gross Value \$	Valuation Basis
Land	522,264,593	10,431,276	(2,587,889)	-	-	530,107,980	-	530,107,980	FV
Land Improvements	33,293,612	8,056,582	-	-	(4,330,211)	37,019,983	31,631,481	68,651,464	FV
Buildings	172,534,157	13,297,659	(80,800)	-	(6,779,640)	178,971,376	107,447,163	286,418,539	FV
Plant	40,211,077	16,114,548	(10,107,610)	-	(4,832,206)	41,385,809	16,802,350	58,188,159	C
Office Furniture and Equipment	33,732,715	17,135,935	(56,041)	-	(7,111,665)	43,700,944	46,258,112	89,959,056	C
Leased Equipment	927,633	-	(674,641)	-	(252,992)	-	-	-	FV
Artworks	5,013,649	651,359	-	-	(216,387)	5,448,621	266,964	5,715,585	FV
Library Books	7,736,714	3,024,996	-	-	(2,013,593)	8,748,117	6,217,605	14,965,722	C
Roads, Streets and Bridges	498,949,808	64,197,249	-	405,937,731	(35,219,874)	933,864,914	413,745,444	1,347,610,358	FV
Footpaths, Bikeways and Boardwalks	81,907,479	6,978,947	-	-	(3,040,604)	85,845,822	38,130,178	123,976,000	FV
Flood Mitigation and Drainage	456,748,933	27,385,812	-	-	(13,948,288)	470,186,457	219,210,036	689,396,493	FV
Water Infrastructure	478,272,124	14,936,975	-	140,483,855	(14,241,103)	619,451,851	322,074,385	941,526,236	FV
Sewerage Infrastructure	512,706,624	18,617,794	-	126,649,791	(16,951,282)	641,022,927	412,832,930	1,053,855,857	FV
Sports and Recreational Facilities	21,426,484	1,088,769	-	-	(2,322,508)	20,192,745	18,860,621	39,053,366	FV
Beaches and Watercycles	59,639,631	(3,068,962)	-	-	(5,908,511)	50,662,158	63,562,331	114,224,489	FV
Other Structures	5,339,733	612,567	-	-	(843,482)	5,108,818	5,816,254	10,925,072	FV
	<u>2,930,704,966</u>	<u>199,461,506</u>	<u>(13,506,981)</u>	<u>673,071,377</u>	<u>(118,012,346)</u>	<u>3,671,718,522</u>	<u>1,702,855,854</u>	<u>5,374,574,376</u>	

Note: Asset additions include reversal of assets incorrectly capitalised in prior years. FV = Fair Value; C = Cost

	2003	2002
	(\$)	(\$)
18. CURRENT LIABILITIES - UNEARNED REVENUE		
Prepaid Private Works	383,142	257,054
Advance Caravan Park Bookings	451,301	372,305
Other	858,234	453,443
	<u>1,692,677</u>	<u>1,082,802</u>

19. PROVISIONS

Employee Benefits		
Current	18,407,424	17,483,655
Non-current	19,815,370	18,135,295
Total Employee Benefits	38,222,794	35,618,950
Booking Fee Cancellations	10,000	10,000
Total Provisions	<u>38,232,794</u>	<u>35,628,950</u>

CURRENT PROVISIONS

Employee Benefits	18,407,424	17,483,655
Booking Fee Cancellations	10,000	10,000
	<u>18,417,424</u>	<u>17,493,655</u>

NON-CURRENT PROVISIONS

Employee Benefits	<u>19,815,370</u>	<u>18,135,295</u>
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	2003	2002
	(\$)	(\$)
20. INTEREST BEARING LOANS		
20.1 Market Value of Loans		
Opening Balance	312,727,971	311,238,961
Increase in Loan Borrowings During the Year	50,844,424	49,207,600
Market Redemption	(32,450,904)	(47,718,590)
Closing Balance	331,121,491	312,727,971
20.2 Balance of Book Debt to Market Value of Debt		
Book Debt - Opening Balance	283,337,879	273,198,984
Increase in Loan Borrowings During the Year	50,844,424	49,207,600
Repayments	(60,675,336)	(65,781,789)
Book Debt Finance Charges	25,502,224	26,713,084
Book Debt - Closing Balance	299,009,191	283,337,879
Provision for Market Value Adjustment	32,112,300	29,390,092
Market Value of Debt	331,121,491	312,727,971
Disclosure in the Statement of Financial Position as follows:		
Current Liabilities	42,140,512	35,061,619
Non-Current Liabilities	288,980,979	277,666,352
	331,121,491	312,727,971
20.3 Summary of Provision for Market Value Fluctuation		
Opening Balance	29,390,092	38,039,977
Deferred Market Value Increment/(Decrement) for the Year	2,722,208	(8,649,885)
Closing Balance	32,112,300	29,390,092

21. CONTINGENT LIABILITIES

Based on advice from Council's solicitors, there are a number of claims and legal cases that may result in financial settlement being made by Council. The total of these contingent liabilities is expected to be up to \$6,000,000 (2002: \$6,500,000).

The National Native Title Tribunal has registered a claim by the Kombumerri people covering a substantial portion of non freehold land and waters and resources within the City's boundaries. Assets recorded in the Financial Statements, except those described within Note 1(v), are not affected by the unsettled claim.

22. COMMITMENTS FOR EXPENDITURE

(a) CAPITAL COMMITMENTS

Capital expenditure contracted for at balance date but not provided for in the financial statements are:

Plant and Equipment	1,973,163	-
Infrastructure assets	17,083,216	16,979,332
	19,056,379	16,979,332

These expenditures are payable within one to two years.

	2003 (\$)	2002 (\$)
22. COMMITMENTS FOR EXPENDITURE con't		
(b) NON CAPITAL COMMITMENTS		
Commitments under non-cancellable operating leases and contractual commitments at balance date but not provided for in the financial statements are payable as follows:		
No later than one year	37,217,466	32,964,300
Later than one year and not later than five years	58,343,952	58,675,242
Later than five years	15,384,807	25,164,232
	110,946,225	116,803,774

These commitments are not recognised in the financial report as liabilities.

(c) FINANCE LEASE COMMITMENTS

Commitments in relation to finance leases are payable as follows:

No later than one year	326,559	435,412
Later than one year and not later than two years	-	435,412
Later than two years and not later than five years	-	326,559
Later than five years	-	-
Minimum Lease Payments	326,559	1,197,383
Less: Future Finance Charges	46,585	167,262
Lease Liability at Reporting Date	279,974	1,030,121
Classified as follows:		
Current Liabilities	279,974	339,458
Non-Current Liabilities	-	690,663
	279,974	1,030,121

23. RECONCILIATION OF RESULT FROM ORDINARY ACTIVITIES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Result from Ordinary Activities	92,990,001	76,674,519
Add/(Deduct) Non Cash Items		
Depreciation	118,012,346	115,560,800
Asset Capitalisation Reversal	5,300	14,000
Market value fluctuation on QTC loans	-	(8,649,885)
Contributed Assets	(54,716,144)	(32,539,657)
Financing Activity		
Capital Contributions	(35,535,716)	(28,255,034)
Capital Grants and Subsidies	(28,750,577)	(18,863,730)
Investing Activity		
Net Loss on Disposal of Non-Current Assets	1,860,830	3,908,751
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables and Prepayments	3,424,532	(3,373,313)
(Increase)/Decrease in Inventories	170,371	298,657
Increase/(Decrease) in Creditors and Accruals	11,641,785	2,483,530
Increase in Provisions	2,603,844	3,214,026
Net Cash Generated by Operating Activities	111,706,572	110,472,664

Council has a bank overdraft facility available to the extent of \$250,000 (2002 \$250,000).

24. SUPERANNUATION

The Council contributes to the Local Government Superannuation Scheme in respect of certain of its employees for defined benefit superannuation arrangements, and certain of its employees (including councillors and individual contractors) for defined contribution superannuation arrangements in accordance with statutory requirements. Assets accumulate in the scheme to meet members' benefits as they accrue.

If that portion of the assets of the scheme intended to support employees' defined benefits is insufficient to satisfy such entitlements payable to scheme beneficiaries then the level and form of such benefits would need to be reviewed. All persons becoming permanent employees as from 1 July 1998 contribute to the scheme for defined contribution entitlements; the defined benefit section of the scheme having been closed to new entrants from that date.

The Council's liability in respect of defined contribution superannuation arrangements is the amount of contribution that, under the terms of the scheme, is payable up to the reporting date.

The audited Annual Financial Statements of the scheme as at 30 June 2002 were not subject to any audit qualification.

The most recent triennial actuarial investigation was based on scheme asset and membership data at 1 July 2000 and the actuary confirmed that the scheme was in a sound financial position as defined in the Superannuation Industry (Supervision) Act and Regulations.

The Queensland Local Government Superannuation Board, the trustee of the scheme, has advised that the Local Government Superannuation Scheme is a regulated superannuation fund under the provisions of Commonwealth Superannuation Industry Supervision Legislation.

Refer to Note 10 for details of the amount of Superannuation Contributions paid by the Council to the Superannuation Fund in respect of this period for the benefit of the employees.

	2003	2002
	(\$)	(\$)
25. TRUST FUND AND RESTRICTED FUNDS		
Monies held in Trust and Restricted Funds at year end represent:		
Developers' Contributions	153,351,671	142,007,878
Security Deposits	9,901,261	6,941,112
Disaster Relief Fund	294,234	281,375
Private Works	758,527	613,087
Moreton Bay Waste Water Study	253,354	230,254
Other	1,269,364	2,358,543
	165,828,411	152,432,249
Restricted Funds	154,679,469	143,108,914
Funds Held for Outside Parties	11,148,942	9,323,335
	165,828,411	152,432,249
Trust fund monies are earmarked within the following investments/deposits:		
Cash at Bank	12,182	45,264
Term Deposits	164,816,229	142,326,985
Deposits at Call	1,000,000	10,060,000
	165,828,411	152,432,249

26. POST BALANCE DATE EVENTS

No matter or circumstance has arisen since the end of the financial year that has materially affected or may materially affect the operation or results of the reporting entity or the state of affairs of the reporting entity in the subsequent financial year.

27. CONDITIONS OVER CONTRIBUTIONS

Contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended on the acquisition of assets but had yet to be applied in that manner as at the reporting date were:

	2003 (\$)	2002 (\$)
Car parking	842,669	70,075
Street lighting	1,075	25,480
Water headworks	14,755,327	12,864,528
Sewerage headworks	12,570,458	11,255,422
Parks	399,901	296,533
Stormwater drainage	147,084	17,893
Roads, Streets and Bridges	1,316,408	625,754
Streetscaping	816,931	215,472
Bikeways	256,253	190,156
Flood/tidal works	716,117	208,732
Base mapping	387,341	52,248
	32,209,564	25,822,293

Contributions which were recognised as revenues in a previous period and were expended during the current reporting period in the manner specified by the provider were:

Car Parking	(925,471)	(274,130)
Street lighting	(10,350)	-
Water headworks	(4,227,698)	(4,992,596)
Sewerage headworks	(13,472,890)	(4,774,536)
Parks	(501,806)	(850,222)
Stormwater drainage	(75)	707
Roads, Streets and Bridges	(911,744)	(2,320,290)
Streetscaping	(264,593)	(132,395)
Bikeways	(215,715)	(394,978)
Base mapping	(200,145)	(94,613)
Quarry road maintenance and restoration	(100,805)	(540,266)
Flood/tidal works	-	(60,000)
	(20,831,292)	(14,433,319)

**Net increase in the constrained works reserve
resulting from contributions for the reporting period:**

11,378,272	11,388,974
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28. FINANCIAL INSTRUMENTS

(a) TERMS, CONDITIONS AND ACCOUNTING POLICIES

The Council of the City of Gold Coast's accounting policies, including the terms and conditions of each financial asset and financial liability are as follows:

Recognised Financial Instruments	Note in Accounts	Accounting Policy	Terms and Conditions
(i) Financial Assets			
Cash	13	Cash assets are carried at the nominal amount. Interest revenue is recognised when earned.	Floating interest rates apply to 'at call' deposits and deposits with cash management trusts and yielded a weighted average interest rate of 4.29 percent.
Rates Receivable	14	Recognised upon assessment. A provision for doubtful debts will only exist where arrears are deemed to be greater than the proceeds Council would receive from sale of the respective property.	Payable within 30 days of issue. A discount of 10 percent is allowed if paid within 30 days on all rates other than the Open Space Levy, Bilinga Rock Wall, Rural Fire Levy and Trade Waste and Raw Water Levies. Interest of 11 percent is charged on outstanding rates.
Loans and Other Receivables	14 & 16	Carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Interest of 10.28 percent is charged on a loan due by Bond University. No interest is charged on other debtors.
Short Term Deposits and Monies Held in Trust for Council	13	Deposits are recorded at their nominal amounts. Interest revenue is recognised when earned.	Deposits on fixed interest rates yielded a weighted average interest rate of 5.01 percent.
(ii) Financial Liabilities			
Creditors		Recognised as amounts to be paid in the future for goods and services received on or prior to the reporting date.	Non-interest bearing. Trade creditors are normally settled within 30 days.
Loans - QTC	20	Recognised at year end market value based on rates determined by QTC. Refer Note 1(r) for further details.	Debt pooling arrangements as administered by QTC. The weighted average fixed interest rate for QTC loans as at 30/06/2003 is 4.92 percent.
Lease Liabilities	22	Liabilities are recognised as the present value of the minimum lease payments at the beginning of the lease. Discount rates used are the estimate of the interest rates implicit in each lease.	At reporting date the Council had finance leases with terms averaging 0.75 years. The interest rate implicit in all leases averaged 10.93 percent. All lease liabilities are secured by lease assets.

28. FINANCIAL INSTRUMENTS con't

(b) INTEREST RATE RISK

The Council of the City of Gold Coast's exposure to interest rate risks based on financial assets and financial liabilities at the balance date are set out below:

Financial Assets	Non-Interest Bearing	Floating Rate	Fixed Int. (0-1 Year)	Fixed Int. (1-5 Years)	Fixed Int. (Over 5 Years)	Carrying Amount as at 30/06/2003	Net Fair Value
Cash	75,015	296,158	1,374,035	-	-	1,745,208	1,745,208
Rates Receivable	-	-	26,357,937	-	-	26,357,937	26,357,937
Loans, Accruals and Other Debtors	13,925,898	-	718,264	191,355	-	14,835,517	14,835,517
Monies Held in Trust for Council	-	-	154,679,469	-	-	154,679,469	154,679,469
Short Term Deposits	-	18,200,000	96,877,398	-	-	115,077,398	115,077,398
Total Financial Assets	14,000,913	18,496,158	280,007,103	191,355	-	312,695,529	312,695,529

Financial Liabilities	Non-Interest Bearing	Floating Rate	Fixed Int. (0-1 Year)	Fixed Int. (1-5 Years)	Fixed Int. (Over 5 Years)	Carrying Amount as at 30/06/2003	Net Fair Value
Creditors	31,846,092	-	-	-	-	31,846,092	31,846,092
Loans - QTC	-	5,255,374	47,822,130	204,083,093	73,960,894	331,121,491	331,121,491
Lease Liabilities	-	-	279,974	-	-	279,974	279,974
Total Financial Liabilities	31,846,092	5,255,374	48,102,104	204,083,093	73,960,894	363,247,557	363,247,557

Note: For all financial instruments the carrying amount approximates the net fair value.

(c) CREDIT RISK EXPOSURE

The Council of the City of Gold Coast's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of these assets as disclosed in the Statement of Financial Position. Council has no significant exposure to any concentration of credit risk.

29. EMPLOYEE NUMBERS

	2003 #	2002 #
Number of employees at reporting date based on Full Time Equivalents	2,615	2,561

30. OPERATING LEASES, HIRE CHARGES AND RENTALS

The following operating leases, hire charges and rental expenses for the period have been disclosed within the Statement of Financial Performance under the line item "Materials and services":

	2003 (\$)	2002 (\$)
Vehicle, plant and equipment hire	11,435,180	9,513,816
Computer equipment leases	2,397,550	2,105,581
Photocopy leases	408,693	488,952
Property and venue hire	675,495	772,644
Other	354,988	310,254
	15,271,906	13,191,247

31. SELF INSURANCE RESERVE

Year end balances for Council's Self Insurance Reserve are comprised of the following subcategories:

Workers' Compensation		
- Claims post 30 June 1998	3,584,256	1,405,416
- Claims prior to 1 July 1998	526,744	704,374
Total Workers' Compensation	4,111,000	2,109,790
Public Liability	6,288,000	3,710,761
Total Self Insurance Reserve	10,399,000	5,820,551