



Speech By  
**Jim McDonald**


**MEMBER FOR LOCKYER**

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Record of Proceedings, 25 May 2023

**STATE DEVELOPMENT AND REGIONAL INDUSTRIES COMMITTEE**

**Report, Motion to Take Note**

 **Mr McDONALD** (Lockyer—LNP) (3.50 pm): As deputy chair of the committee, I am pleased to rise to speak about the Auditor-General reports into local government and the local government sector. We all know what a great job local governments do across the state—all 77 of them. The Auditor-General has done another sterling job, and I congratulate Mr Worrall and his team on identifying some further improvements that can happen across local government. This report is a culmination of the review of five different reports from 2020 to 2022. We have been watching this space for some time and we have seen improvements in local government, which have been great to see.

One observation I have made through this process is that there are many inconsistencies across different local governments. Different local governments consider different risks to be of higher importance and lesser importance. Sometimes that is not because it is a higher risk; it is just the perception of it or that they are not too confident about managing it. We have seen other examples of local governments or regional cooperation where they have been able to deal with the same risk in a really efficient way and put in the right controls to make sure the risk is minimised for the local government areas without costing the local government individually a lot of money. I think the LGAQ and this Auditor-General's report will continue to share that information across all of the different local government areas.

As the chair said, four committee members have local government experience but I can also say that, although my colleague the member for Burleigh does not have local government experience, his experience as an engineer in the airspace industries is very valuable in terms of his understanding of business and looking at things with fresh eyes. The member for Burleigh's contributions are always very astute and welcome when it comes to these matters.

We identified three main areas of audit function or audit and risk committee that we feel should be in place across the state—that being procurement, asset management and particularly IT and cybersecurity. As I mentioned before, some of the local governments deal with these things very well. I had experience with the Lockyer Valley Regional Council, and I was honoured that the people of the Gatton community first and then the Lockyer community gave me the opportunity to represent them as a councillor on the Lockyer council. When we established the audit and risk committee in Lockyer, it was a cumbersome process and we grappled to understand that. We were fortunate to have a really talented independent accountant locally who had experience in that area and assisted us through that process with the LGAQ.

One thing that was clear in my previous world is that what gets measured gets done. In our case, we had three councillors out of seven on that audit and risk committee. If the councillors themselves are having those conversations with professional people, it is actually a capacity-building exercise to learn from those things. We were fortunate to have experts locally, but across the state there are many regional areas where experts are not available. It is okay to say we could use IT, Teams meetings and

things like that for some of the regional areas, but in many of the regional areas the bandwidth is not sufficient to have competent meetings all of the time. Some of those areas do need improvement, but that is an opportunity that we need to look at.

I also recognise the cost of the implementation of some of these things. A couple of councils have come together and formed their own audit functions and audit and risk committees together, and that is a great improvement. As I said at the start, the 77 local governments do great things across the state in providing wonderful services to our community and great leadership in the community, but I have to close by saying that we must always be very careful about things we put on local government so we do not stifle the opportunity for good community leaders to want to participate as councillors and mayors of local governments. It is a complex issue, but with the right assistance it can be very enjoyable and they can be great leaders for the community.