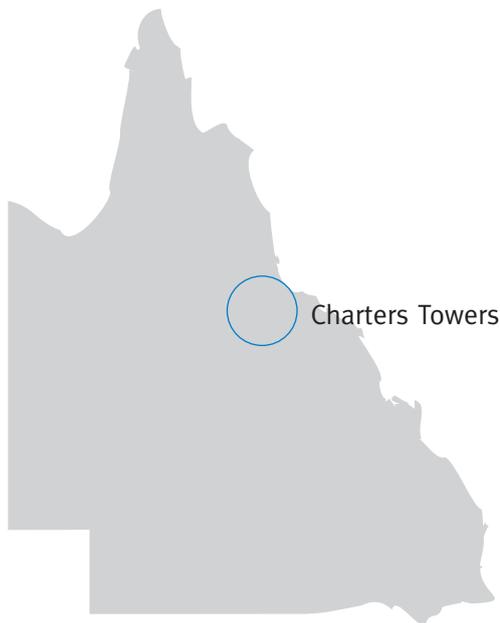


# Charters Towers Regional Council



## 1. Recommendation

### The Commission recommends:

- (i) the existing local governments of Charters Towers City and Dalrymple Shire Councils be abolished and a new local government formed based on the combined area of the two existing councils;
- (ii) the new local government be called Charters Towers Regional Council;
- (iii) the new local government be undivided with six councillors and a mayor; and
- (iv) the new local government be classed as a regional local government.

## 2. Comparison of new and previous local governments

NEW LOCAL GOVERNMENT	PREVIOUS LOCAL GOVERNMENTS		
	Charters Towers Regional Council	Charters Towers City Council	Dalrymple Shire Council
<b>Name</b>			
Class	Regional	City	Shire
Size	68,388 sq km	42 sq km	68,346 sq km
Population 2006	12,280	8,826	3,454
Population 2026	11,545	8,277	3,268
Electors 2007	7,147	4,727	2,420
Electoral arrangements	Undivided 6 councillors plus mayor	Undivided 6 councillors plus mayor	Divided 8 councillors plus mayor
Electors per councillor excluding mayor	1191	787	302
Total operating revenue financial year 2006	\$27.5 million	\$10.8 million	\$16.7 million
Annual capital expenditure financial year 2007 - 2015	\$10.3 million	\$3.6 million	\$6.7 million
Total assets at 30 June 2006	\$266 million	\$110 million	\$156 million
Debt at 30 June 2006	\$1 million	Nil	\$1 million
Community equity at 30 June 2006	\$261 million	\$109 million	\$152 million

## 3. Rationale for new local government

### 3.1 Service delivery, operations and management

- Service delivery improved through economies of scale around:
  - planning and development;
  - managing water, waste and sewerage;
  - managing and maintaining road networks;
  - utilising plant; and
  - undertaking core corporate activities including executive and administrative functions, finance and information technology.
- Increasing the capacity of the local government through a larger asset base and increased operating revenue that enhances the prospects of the new council attracting, retaining and better developing the skills base required to undertake the activities of a local government.
- Enhancing the capacity of the new local government to engage with industry and State and Federal Governments in relation to tourism, environmental issues and regional development.
- Amalgamating the two local governments offers the potential to improve the quality of governance.
- Improving the capacity to manage risks.
- A significant proportion of the population of Dalrymple Shire live on the outskirts of Charters Towers and planning for and delivery of services would be more efficiently undertaken by a single local government.

### 3.2 Communities of interest

- Charters Towers is the service centre for the region where most educational, health, commercial, retail, government and financial services can be accessed.
- Charters Towers is easily accessible by residents of the region although some of the distances are quite significant.

### 3.3 Other

Not applicable.

## 4. Financial sustainability

Each council was rated in the Financial Sustainability Review by Queensland Treasury Corporation as follows:

- Charters Towers City Council – moderate (neutral); and
- Dalrymple Shire Council – moderate (neutral).

The amalgamation of the local governments removes some of the structural inefficiencies that may affect the region's ability to improve its financial sustainability.

The combined local government will have a greater capacity to improve its financial sustainability through its ability to:

- achieve economies of scale;
- attract, retain and develop skilled staff as well as build capacity of systems; and
- undertake regional planning and infrastructure delivery.

## 5. Implementation issues

The Commission did not identify any specific issues relating to the formation of the new local government area.

## 6. Boundary issues

The Commission has not identified any boundary issues.

## 7. Suggestions

The Commission gave consideration to the 57 suggestions it received in relation to this area.

## 7.1 Details of suggestions

- Charters Towers City Council opposes amalgamation of any sort especially a ‘super council’ including North Queensland Regional Organisation of Councils (NQROC) members, however offers the following suggestions:
  - Leave Charters Towers City as is and formalise shared service arrangements with NQROC (preferred option). Council opposes any amalgamation with Townsville and Thuringowa City Councils.
  - If significant reforms are required, amalgamation with Dalrymple Shire Council would seem inevitable because of their proximity and like communities of interest that would maintain the social fabric and character of the area. Although not the preferred option, this would offer the least disruption because of similar communities of interest, administrative efficiency and the largely rural character of this region. The suggestion also proposes that an appropriate name for an amalgamation of Charters Towers City and Dalrymple Shire would be Charters Towers City Council.
- Dalrymple Shire Council strongly opposes amalgamation of any form and suggests that:
  - No evidence exists to “demonstrate that amalgamation creates a sustainable economy of scale outright”.
  - New entities have diminished “credibility and attractiveness, as potential employers, trade partners and service providers”. Concern that “groups within groups, e.g. the Gudjala and Gughu Badhun people might not be recognised as part of a reform process” and that small sub-communities may be marginalised.
  - There is no logistical, economic or practical reasons why the proximity of administration centres supports wholesale amalgamation.
  - The use of resources and financial cost of amalgamation in the case of Dalrymple Shire Council would be astronomical and the disruptions to business close to catastrophic.
  - The people of Dalrymple would be badly under-represented as a result of an amalgamation of the two local governments.

## 7.2 Commission’s comments on suggestions

The Commission considered the suggestions and makes the following observations:

- Amalgamation with Townsville City and Thuringowa City Councils is not in the interest of Charters Towers City or Dalrymple Shire Councils due to an absence of communities of interest, distance and concerns over the capacity to service residents of Charters Towers City and Dalrymple Shire.
- While Dalrymple Shire Council’s representations are acknowledged, the Commission believes that there are significant communities of interest between Dalrymple Shire and Charters Towers. These include Charters Towers being the service centre for residents of Dalrymple Shire and a large number of Dalrymple Shire residents who live on the outskirts of Charters Towers. In addition, the Commission believes that the continuation of separate local governments does not facilitate optimum service delivery for the region, and impairs the local government’s ability to develop capacity to address issues facing the region.

## 8. Other Commission considerations

There were no other consideration.

## 9. Objectives set for Commission

OBJECTIVES	OBJECTIVES ACHIEVED
Facilitates optimum service delivery to Queensland communities.	Yes to the extent possible given the relatively small population, the shire area and its resources including financial and human resources.
Ensure local government effectively contributes to and participates in Queensland's regional economies.	Yes.
Manages economic, environmental and social planning consistently with regional communities of interest.	Yes.
Effectively partners local government with other levels of government to ensure sustainable and viable communities.	Yes but more robust and better resourced local governments have the capacity to participate on a more equal basis in representing local government and community interests.