

# Lockyer Valley Regional Council



## 1. Recommendation

The Commission recommends:

- (i) the existing local governments of Gatton Shire and Laidley Shire Councils be abolished and a new local government formed based on the combined area of the two existing local governments;
- (ii) the new local government be called Lockyer Valley Regional Council;
- (iii) the new local government be undivided with six councillors and a mayor;
- (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 GOVERNMENT	
Name	Lockyer Valley Regional Council	Gatton Shire Council	Laidley Shire Council
Class	Regional	Shire	Shire
Size	2,273 sq km	1,572 sq km	701 sq km
Population 2006	31,138	16,702	14,436
Population 2026	47,036	21,967	25,069
Electors 2007	19,484	10,215	9,269
Electoral arrangements	Undivided 6 councillors plus mayor	Divided 8 councillors plus mayor	Undivided 8 councillors plus mayor
Electors per councillor excluding mayor	3,247	1,276	1,158
Total operating revenue financial year 2006	\$35 million	\$20 million	\$15 million
Annual capital expenditure forecast financial year 2007 - 2015	\$13 million	\$9 million	\$4 million
Total assets at 30 June 2006	\$203 million	\$140 million	\$63 million
Debt at 30 June 2006	\$9 million	\$4 million	\$5 million
Community equity at 30 June 2006	\$188 million	\$133 million	\$55 million

### 3. Rationale for the new local government

Amalgamating Gatton and Laidley Shires will create a significant rural local government which is the major farming, cropping and horticultural production area of South East Queensland. This farming and horticulture area contains highly productive agricultural soils and forms one of the three rural regions for South East Queensland which are predominantly designated as “Regional Landscape and Rural Production” areas in the SEQ Regional Plan. It also provides a surrounding rural area and hinterland to the major population centres contained in the SEQ Regional Plan’s Urban Footprint.

#### 3.1 Service delivery, operations and management

- The recommended local government will enable an integrated planning and natural resource management approach to be taken in the Lockyer Valley to support cropping, horticultural and related rural enterprise activities and a coordinated approach to rural infrastructure provision.
- 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 capacity of the new local government through a larger revenue and asset base to better attract, develop and retain the skills base required to undertake planning and actively manage social and economic development as well as environmental issues across the region.
- Strengthening the ability of the new local government to engage with industry and State and Federal Governments in relation to environmental issues, economic development, management of road networks and water, waste and sewerage management on a regional basis.

#### 3.2 Communities of interest

- Both Shires have similar economic interests with a heavy dependence on agriculture with vegetable growing being the main agricultural product, complemented by poultry and beef cattle. Manufacturing (food, machinery and equipment) and educational sectors also provide significant employment to the population.
- Gatton is the major service centre for the region with retail, education, health, financial, commercial and government activities. The rural campus of the University of Queensland is located in Gatton.
- The proposed new local government is compact with all towns in the Lockyer Valley having easy access to Gatton.
- The Warrego Highway links Gatton to Toowoomba, Ipswich and Brisbane.
- To the extent that services cannot be obtained in this region, residents are likely to travel to Toowoomba, Ipswich or Brisbane.
- The rail network links Gatton and Laidley to Toowoomba, Ipswich and Brisbane. Limited passenger services are provided past Ipswich.

#### 3.3 Other

- The SEQ Regional Plan has set a target of an additional 7,100 new dwellings over the next 20 years which represents a substantial level of growth over the current population.
- About two-thirds of this growth will occur in the former Laidley Shire. The main growth towns are expected to be Gatton and Laidley as well as existing smaller villages and rural residential acreage areas straddling the Warrego Highway

### 4. Financial sustainability

The local governments are rated in the Financial Sustainability Review by Queensland Treasury Corporation as follows:

- Gatton Shire Council – moderate (positive); and
- Laidley Shire Council – weak (neutral).

It is likely that the amalgamated local government would be rated as moderate with a developing outlook mainly on the strength of the former Gatton Shire’s rating.

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 did not identify any major ongoing boundary issues.

## 7. Suggestions

The Commission gave consideration to the 26 suggestions it received in relation to Lockyer Valley.

### 7.1 Details of suggestions

Gatton Shire Council's suggestion details its two preferred options:

- Gatton Shire to remain as a stand-alone local government with minimal or no boundary changes. Council proposes to maintain the current structure of eight councillors (representing three electoral divisions) and a mayor in order to facilitate community representation. This is on the basis that it is sustainable, a significant amount of economic development is occurring within the shire and amalgamation with that local government sharing the strongest community of interest (Laidley Shire Council) will weaken its financial position. Other potential and larger amalgamations do not share the same communities of interest. Gatton Shire proposes that sharing of services with Laidley be accelerated with consideration also being given as to how Gatton and Laidley Shires could

utilise Ipswich and Brisbane City's services (eg call centres).

- Gatton Shire and Laidley Shire be amalgamated and named Lockyer Valley Shire Council with minimal or no boundary changes. Council proposes a structure of nine councillors including a mayor with electoral divisions in order to provide optimal representation throughout the new shire area. Laidley Shire currently operates without divisions. The basis of the amalgamation is the very strong communities of interest and shared services.

Gatton Shire Council's suggestion highlights its opposition to larger amalgamations of local governments and is also opposed to allocating the north of the Warrego Highway portion of Laidley Shire to Esk (as proposed by Esk). This is on the basis that the main centres of Plainland and Hattonvale use Laidley and Gatton as their service centre and not Esk or Lowood in Esk Shire Council.

- Laidley Shire Council's suggestion details its two preferred outcomes:
  - Laidley Shire Council recommends that the shire remain unchanged on the basis of:
    - Council being extremely cost efficient;
    - its financial position is improving from a relatively poor base;
    - the Shire has reasonable population growth; and
    - it is a discrete community.

Council does acknowledge that the negatives with the status quo are its current financial position as well as being a dormitory area for residents with limited employment available in the shire.

- If Laidley Shire has to amalgamate, its preference is to amalgamate with Gatton Shire to form the Lockyer Valley Shire. The basis of the amalgamation is:

- a long history of working together;
- grouping of like communities (rural communities with a number of small towns, tourism, similar agricultural output, emergency services, Gatton is the major centre of the Lockyer valley);
- natural geographic area being the Lockyer Valley catchment; and
- improved financial sustainability.

Laidley Shire suggests including part of Division 10 of Ipswich City (towns of Rosewood, Grandchester, Marburg and Minden) based on strong communities of interest.

Laidley Shire also considered whether Esk Shire should be included in the amalgamation. The view was that it should not, as there are no communities of interest other than the Esk, Gatton and Laidley Water Board. Also, it strongly opposes the transfer of the area north of the Warrego Highway to the Esk Shire for the same reasons as does Gatton Shire.

- Esk Shire Council suggests including Laidley Shire north of the Warrego Highway in the new Somerset Shire based on a significant community of interest including:
  - sharing a number of local roads;
  - historical links through the old Moreton Council;
  - a clear physical southern boundary to the Shire of Esk; and
  - it is a growth area which will assist Esk Shire going forward.

## 7.2 Commission’s comments on suggestions

The Commission considered:

- Gatton and Laidley Shire’s suggestions to remain stand-alone local governments and is of the view that the benefits of amalgamation are compelling (refer to section 3 above). In addition, a decision to not amalgamate the local governments would fail to position the region for the future in terms of planning, natural resource management, development and financial sustainability.

- Laidley Shire’s suggestion to include part of Division 10 of Ipswich City (i.e. towns of Rosewood, Grandchester, Marburg and Minden). While this suggestion has some merit due to this area being primarily rural with the towns mainly serving the local community, the Commission feels that this change may introduce complexity in transition to the new regional entity.
- Esk Shire’s suggestion to include that part of Laidley Shire north of the Warrego Highway in the boundaries of the Somerset Regional Council. This suggestion was not considered further based on Gatton and Laidley Shires’ strong belief that this area has its main communities of interest with Gatton and Laidley.

## 8. Other Commission considerations

The Esk-Gatton-Laidley Water Board will need to be reviewed by the partner local governments with respect to its composition and continuing relevance.

## 9. Objectives set for Commission

OBJECTIVES	OBJECTIVES ACHIEVED
Facilitates optimum service delivery to Queensland communities.	Yes.
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.