



**Submission to
Local Government Reform
Commission**

**by
Jericho Shire Council
22 May 2007**

Ref: 3/13-1:DAH:nm

22 May 2007

Mr Bob Longland
Chairman
Local Government Reform Commission
PO Box 16325
CITY EAST QLD 4002

Dear Mr Longland

RE: Jericho Shire Council Local Government Reform Submission

Please find attached a submission to the Local Government Reform Commission by Jericho Shire Council in relation to the proposed reform of local government in Queensland.

We would welcome the opportunity to meet with you to discuss this matter further if necessary.

Should you require clarification on any aspect of this submission please do not hesitate to contact the undersigned.

Yours faithfully

DA Howard
CHIEF EXECUTIVE OFFICER

Cr Michael Wells
MAYOR

Contents

Introduction	2
1. Executive Summary	3
(i) Sustainability	
(ii) Community of Interest	
(iii) SSS Participation	
(iv) Service Provision	
2. Shire Profile	4
3. Sustainability	4
4. Community of Interest	5
5. SSS Participation	6
6. Service Provision	7
7. Key Considerations	8
Conclusion	9

Attachments

- Attachment "A" - Shire Map
Attachment "B" - QTC Financial Sustainability Review summary

Introduction

The Jericho Shire Council presents this submission for your consideration following public consultation meetings throughout the shire and information from the Size, Shape and Sustainability process.

The issues contained herein reflect the sentiment of community members, elected members and the results of an independent survey.

The community was asked to consider the advantages and disadvantages of an amalgamation and the result was, **“that no advantage could be gained by the amalgamation of this shire.”**

Council believes that it would not be advantaged in any way by being amalgamated and can best service this community by remaining with the existing Council structure and continuing to expand its resource sharing operations.

Council is **financially viable** as indicated by the **moderate QTC FSR rating** and has clear policies and programs in place to provide progressive direction in servicing the community.

As you will see reading this submission, council was unable to find any advantages in being amalgamated with other shires.

1. Executive Summary

Having regard to the community's decision as outlined in the introduction the following points are of the utmost importance to understand the important role the council plays in the makeup of this community.

(i) Sustainability

QTC FSR **moderate** rating with **neutral** outlook

Only **1%** of total expenditure spent on **corporate governance**

Only **3.5%** of total expenditure spent on **administration**

Council contributes **\$1.9 million into local business** plus \$1 million into the wage packets of local staff.

Elected members numbers were reduced to 7 at last election.

Today administration staff numbers are the same as it was 25 years ago.

The DLGP Local Government Profile report 2004-05 indicates that this shire is better than average compared to remote rural councils. (Sect.3.5)

(ii) Community of Interest

Alpha and Jericho provide the community of interest.

Tyranny of distance – 168kms to nearest major centre.

Main industry links to processors on the east coast.

All council employees lives in the shire.

Natural resource catchment considered too diverse to manage.

RPAC and SSS areas considered too large for effective management.

(iii) SSS Participation

Jericho Shire was actively participating in two groups being the Central Highlands group and the Central West group.

SSS provided the opportunity to expand resource sharing arrangements.

The SSS QTC Financial Review shows the shire is in a sound financial position.

(iv) Service Provision

Services provided by Council that are not provided by State agencies.

Senior Council staff forms the QFRS, SES, Ambulance etc.

Staff reduction causes significant flow-on effect (eg. 4 Council jobs = 32 community jobs).

Social fabric torn apart.

Council has improved operations through resource sharing and shared services.

Increased development of mineral deposits mainly coal.

Loss of local knowledge (Councillors and staff).

Senior staff average 13 years with this council.

Loss of local government involvement in significant functions such as Anzac Day and Australia Day.

COUNCIL'S RECOMMENDATION:

The preferred position of the Jericho Shire Council is to stand alone and not amalgamate but to continue with joint arrangements and resource sharing.

2. Shire Profile:

Jericho Shire is located in Central Queensland and covers an area of 21,877 km² with a total population of 1101 (2004 ABS). The population is continuing to grow with the high cost of living and lack of housing in nearby mining communities.

Jericho Shire is based on the small but vibrant towns of Jericho and Alpha.

Alpha is the administration centre of the Shire and possesses most facilities found in larger centres and a strong community spirit.

Jericho is located 56km west of Alpha and is a close community with a great sense of community pride.

The major centres surrounding Jericho Shire are, Emerald 168 kms east and Longreach 247 kms west.

The major industry within the Shire is beef production.

Mining development is now underway with leases and exploration permits covering vast areas of the shire. Known deposits of coal (Galilee Basin), shale oil, zeolite and other minerals are located in various areas and all will create the need for local government support.

The Jericho Shire has been identified as a suitable site for a solar energy power generator.

Council carries out the maintenance and construction works on 1150 kms of Shire roads and 340 kms of State controlled roads

Jericho Shire has 7 Councillors and employs 29 permanent staff plus 20 casual and part time staff.

The Australian Classification of Local Government lists the Jericho Shire Council as **Rural Remote Medium**.

The shire has unemployment of 2.3 % compared with the state average of 5.1 %.

3. Sustainability:

The QTC Financial Sustainability Review indicates that this council has a **moderate** rating with a **neutral** outlook (Attachment "B") and given that this rating was achieved during a very difficult time for our main industry (beef cattle grazing) it shows that this shire, under good governance can endure and prosper in the most trying of times.

Council spends **only 1% of total expenditure** on corporate governance and consists of 7 elected members with exceptional experience and local knowledge.

Council spends **only 3.5% of total expenditure** on administration, which covers a very wide variety of functions from planning and engineering to assisting community members with many non-local government tasks, which are not provided by other government departments.

Per annum Council contributes **\$1.9 million into local business** plus \$1 million into the wage packets of local staff. Any reduction in councils input would have a major impact on the local economy and further damage the social fabric.

It is difficult to find significant cost savings by reducing local representation or administration while still providing efficient and effective services.

Elected members numbers were reduced to 7 at the last election.

Even though added responsibility has been handed to local government in recent years administration staff numbers today are the same as they were 25 years ago.

4. Communities of Interest:

With the exception of its main industry beef production, which is linked to processing works on the eastern seaboard and feedlots on the Darling Downs, the community of interest for this shire is within its own boundaries.

The sustainability of our communities has matured due to the distance to neighbouring centres. There is a strong sense of belonging by residents who have spent the majority of their life living and contributing to the growth of this shire.

Councils staff **all** live in the Jericho Shire and **60% own** their own homes.

The towns of Jericho and Alpha share a common bond from having the same industry and sporting and cultural linkages.

Consideration has been given to the natural resource groups such as river catchments and this shire has three separate catchments being the Fitzroy, Burdekin and Lake Eyre catchments all of which cover vast an area too vast to be a feasible option.

Other areas also considered such as the Regional Planning and the Size, Shape and Sustainability areas were also considered too large to be successfully governed at a local level.

Resource sharing and / or collaborative arrangements have been put in place and operating very well for many years with the following organisations:

- **Central Highlands Natural Resource Management Group (CHNRMG):** Consisting of the Belyando, Peak Downs, Emerald, Bauhinia and Jericho shires, this group brings together Councillors, Stock Route Inspectors, Rural Service Committee representatives with NRM groups and agency staff to work together on a regional basis for environmental pest and weed action;
- **Central Highlands Development Corporation (CHDC):** A different alliance of shires providing a joint approach to development issues and is another very successful

cooperative approach for attracting funding to the region and building economic growth – Mayors and CEOs from Peak Downs, Emerald, Duinga, Bauhinia and Jericho form the board and directors;

- Central Highlands Regional Organisation of Councils (CHROC): Councils include Peak Downs, Emerald, Duinga, Jericho and Bauhinia;
- CHRRUP: Covers both river catchments from the Fitzroy and Burdekin basins, however its area is based on existing shire boundaries of Belyando, Peak Downs, Emerald, Bauhinia and Jericho as identified by the community;
- Remote Area Planning and Development Board (RAPAD): Jericho shire works very closely with its western neighbours through RAPAD on issues such as improving health services;
- Desert Channels – (DCQ): The DCQ community is all those people who call the Queensland section of the Lake Eyre Basin home. Pastoralists, indigenous groups, townspeople, industry, governments (local and State) and conservationists are all concerned members of the DCQ community; they all have an interest in the future of the region;
- Outback Roads Alliance: A group of 14 councils covering 1/3 of Queensland providing a cooperative approach to the road network whilst saving money through resource sharing and regional planning;
- CEO's of Western Shires (COWS): A very active group of 12 local government CEO's collaborating to provide uniform policies and sharing arrangements and cost saving initiatives for all western shires; and
- Jericho – Windorah road upgrade project: The shires of Jericho, Barcaldine, Blackall, Isisford and Barcoo with the support of their communities developed a MOU with the Department of Transport and Queensland Rail to close the railway line from Jericho to Yaraka and utilise the funding to bitumen seal the road. Without each shires commitment it would have been more difficult to gain community support.

Please note that this is only some of the regional collaborations that council is involved in but it indicates the different groups and regional issues.

5. SSS Participation:

Because of the shires different alliances it was necessary for the Jericho Shire to actively participate in two groups being the eastern group of the Outback and the Central Highlands group under the SSS process.

For example, the state government districts which cover Jericho Shire for DNR, Main Roads, Transport and Mines are based in Emerald while Queensland Health, QFRS, Education and Police are based in Longreach.

The SSS process enabled council to consider additional resource sharing with communities in both groups while enhancing the many existing arrangements already

in place. For example, labour and plant hire opportunities, HR services, shared EHO, engineering, building certifiers and planning services just to name a few.

The QTC Financial Sustainability review under the SSS process gave councils the opportunity to have an independent assessment of council's financial position.

Whilst the SSS process was incomplete it gave Councils the opportunity to engage with the community and surrounding shires to explore many avenues to make western communities better. **No** benefits were to be found by amalgamating with adjoining shires.

6. Service Provision:

The shire provides the following services:

- Rural Transaction Centre – administration facilities, Centrelink agency, and Medicare agent
- Libraries – providing borrowing facilities at both Alpha and Jericho
- HACC / CAC – operating from both Alpha and Jericho providing home and community care (including social support, domestic assistance, personal care, home nursing and transport)
- Limited Hours Day Care – providing child care in Alpha
- Community Housing – provision of aged housing in both Alpha and Jericho
- Television Retransmission – three channels in Alpha and two in Jericho
- Radio Retransmission – two radio stations in Alpha
- Water supply – both town water supplies and reticulation **all** renewed in the last 5 years
- Sporting facilities – two showgrounds plus tennis courts and skate park
- Swimming pools – both Alpha and Jericho
- Dip facilities - Tick clearing facility servicing all areas west of Jericho Shire
- Airports - one dirt strip and one sealed registered strip
- Pest plant and animal control
- Parks and Gardens
- Garbage Collection
- SES
- Road maintenance and construction – 1500 kms in total
- All main roads maintenance and construction
- Stock route maintenance and control
- Funeral assistance and cemetery maintenance

Council provides support to:

- Cultural Groups (RADF, art gallery, arts and craft groups)
- Sporting Groups
- Community newspaper
- Tourism - two local groups plus regional membership of CHTO and CTO
- Emergency Services (QFRS, Ambulance & SES)
- Multi-purpose Health Service and Queensland Health
- Spiritus Nursing service
- Meals on Wheels
- Community Housing
- Schools

Resource sharing:

Council is actively involved in the sharing of staff and plant with Tambo, Longreach, Blackall, Barcaldine, Emerald and Peak Downs shires and communities.

For example,

- Environmental Health Officer
- Engineering services and construction plant
- Building services
- Planning services
- Accounting support
- IT services
- Pest plant control
- Animal control
- HR services
- Waste management

The shire provides its main services from an administration centre and works depot at Alpha and a sub-depot at Jericho.

The average term of employment for council's senior staff is 13 years and given their local commitments (financial, social and family) it would be very difficult for them to relocate.

Traditional community events such as Australia Day and Anzac Day are organised and conducted by Jericho Shire Council. Residents have expressed concern that the ongoing availability of these important national events would also be threatened.

7. Key Considerations:

The loss or downgrade of any services will never be replaced or provided as efficiently or as economically by a larger centralized centre.

1. Loss of local representation and local knowledge.
2. Community social fabric degradation (schools, medical services, businesses)
3. Tyranny of distance. Some ratepayers could travel for 4 hours (each way) to visit the administration headquarters.
4. Loss of staff and local knowledge. The loss of 4 council jobs could flow on to 32 non-council jobs and then continue to decline. Council's senior staff has an average of 13 years service with this council.
5. Community decline makes it more difficult to retain and attract staff and decreases property values.
6. Council staff provides the majority of manpower for the emergency services such as fire brigades, ambulance (NO QAS) and State Emergency Service. 35% of council's staff is actively involved.
7. Council contributes \$1.9 million into local business plus \$1 million in wages, which flows on to create in excess of \$10 million in the local economy.
8. Councils sound financial position and continuing improvement as confirmed in the QTC financial review.

9. Existing regional arrangements and resource sharing.
10. Destruction of harmonious relationships with neighbouring communities.
11. Low cost to provide excellent governance and administration.
12. Potential mining development.

Conclusion

This submission should be considered in conjunction with submissions lodged by the Central Highlands Development Corporation (CHDC).

The information contained herein can be expanded upon should it be required and has been abbreviated to save time given the limited time available in which to lodge this submission.

The Jericho Shire Council has many cost saving processes in place with many neighbouring shires and to fracture these arrangements would not be the best outcome for the shire.

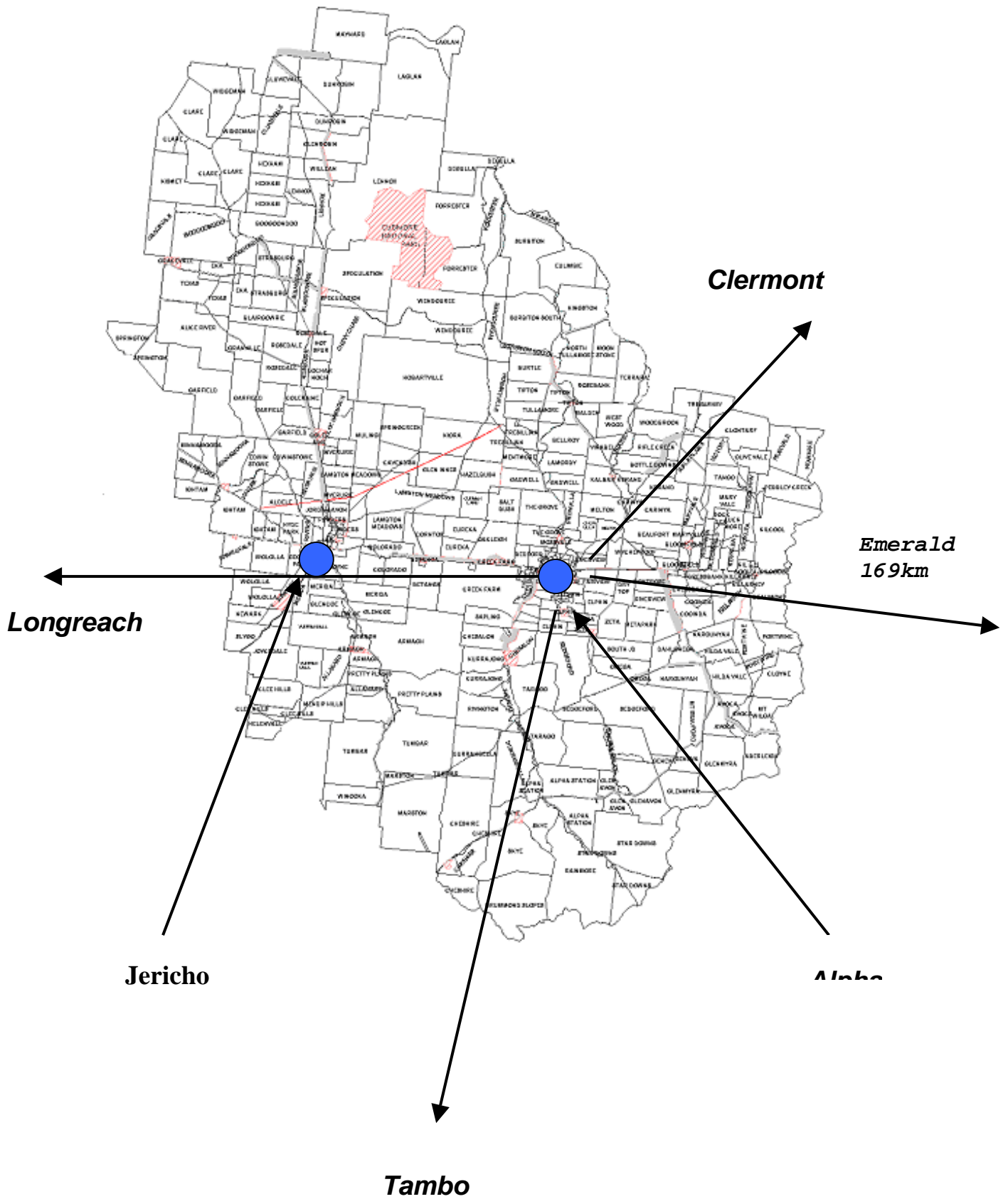
In concluding, please be aware that the **Jericho Shire Council is a viable shire, providing quality service delivery in its present form and believes that any amalgamation will do irreparable damage to its community and the traveling public.**

Suggestion

"That the Commission recommend that the Minister for Local Government fully consider the consequences where change to the area of the Jericho Shire Council would severely impact small businesses, community, social, emergency services and local government service delivery to the extent that they would far outweigh any benefits of such structural change."

Attachment "A"

Jericho Shire Map



Attachment “B”: **Comparison of key economic information for Jericho Shire Council against Queensland**

	Jericho Shire Council	State of Queensland
Australian Classification of Local Government	Rural Remote Medium (RTM)	
Population (as at 30 June 2005)	1,104	4.0 million
Population forecast growth	0.3 per cent per annum	1.7 per cent per annum
Median age	34.8 years	36.0 years
45+ age group (per cent of population)	36.2 per cent	36.7 per cent
Forecast median age 2026	42 years	42 years
Average taxable income	\$35,556	\$40,037
Unemployment rate (March 2006)	2.3 per cent	5.1 per cent
Rateable properties	679	
Council employees	37	
Council employees per 100 persons	3.4*	

- RTM average 4.2

Source: QTC Financial Sustainability Review – March 2007