



Hon Desley Boyle MP
Member for Cairns



**Minister for Local Government
and Aboriginal and Torres Strait
Islander Partnerships**

10/47456
LA/10/3011

04 NOV 2010

Mr Neil Laurie
The Clerk of the Parliament
Parliament House
Corner Alice and George Streets
BRISBANE QLD 4000

Dear Mr Laurie

Thank you for your letter of 6 October 2010 concerning petition No. 1534-10 regarding the Southern Downs Regional Council.

While I acknowledge the concerns of the principal petitioner and the sponsoring Member, as Minister for Local Government, I have limited powers to dissolve Councils under the *Local Government Act 2009* and can only use these powers in certain circumstances.

I am obligated to consider evidence of systemic failures by the Council which demonstrate that Council is not capable of performing its duties.

Southern Downs Regional Council has publicly acknowledged the financial challenges it faces with the former Warwick Shire Council being on a flat rate-in-the-dollar system, in comparison to the former Stanthorpe Shire Council where a differential rating system was in place. This is also compounded by both Stanthorpe and Warwick Shire Councils not having been re-valued since 2004 and 2006 respectively.

In addition, the properties in the central business district of the former Stanthorpe Shire historically received a much higher rating than those in the former Warwick shire. As an example of the discrepancy this caused, a property in the CBD of Warwick paid a rate in the dollar of .7747, compared to a property in the main CBD of area of Stanthorpe where the rate in the dollar was 7.4832 until this year; almost 10 times higher.

All these factors have weighed heavily on Council's decisions regarding the implementation of one consistent rating methodology for the whole Council area. This means correcting the imbalances of the past and rating properties according to the need for infrastructure and community services across the whole Southern Downs Regional Council area.

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The petition states that Council did not comply with the provisions of section 107 of the Regulation, which provides for the Revenue statement contents. This section requires a Local Government, if it levies differential general rates, to state the rating categories for rateable land in the Local Government area and to state a description of each rating category. It is further required that the revenue statement must include an outline and explanation of the measures the Local Government has adopted for raising revenue, including an outline and explanation of the rates and charges to be levied and the concessions for rates and charges to be granted. My Department's review indicates that Southern Downs Regional Council's revenue statement has properly met these requirements.

As presented, the petition does not contain evidence that would give rise to me considering the use of my powers as Minister.

Should you require any further information in relation to this matter, please contact Mr Lachlan McKenzie, Policy Advisor in my Office on (07) 3227 8819.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Desley Boyle', written over a horizontal line.

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