

MEDIA RELEASE

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South Burnett to receive top-up amalgamation assistance

South Burnett Regional Council will receive a one-off top-up payment of \$1,127,810 to help meet the costs of amalgamation, Local Government Minister Desley Boyle announced today.

The Queensland Treasury Corporation (QTC) has examined 25 council submissions regarding the costs of their local government amalgamations. 24 of the 25 councils are included in the summary report, with the Torres Strait Island Regional Council subject to separate review.

QTC's summary Report is available online. Each of the 25 councils will also receive individual Reports prepared by QTC responding to their submissions and detailing the costs and the benefits of amalgamation and each council's liquidity and financial sustainability position.

The Local Government Reform Commission signalled that South Burnett Regional Council had financial sustainability issues. In line with this, the QTC's summary report recommends that Council receive funding to help cover the assessed cost of amalgamation.

"This \$1.12 million top-up funding will help South Burnett cover the eligible costs incurred through the amalgamation of four shire councils into the one larger regional council," Ms Boyle said.

"South Burnett Regional Council came into existence on March 15, 2008, incorporating the former shire councils of Kingaroy, Wondai, Murgon and Nanango.

"At the time of the transition, South Burnett received \$780,000 from the \$27.1 million paid out to all amalgamating councils. Today's top-up payment is additional to that.

"In addition to amalgamation funding, South Burnett has received \$3.2 million in local government subsidies and project funding since July 2006."

Along with South Burnett, the QTC has recommended one-off payments also be made to another five other councils:

- North Burnett Regional Council - \$348,524
- Scenic Rim Regional Council - \$2,791,897;
- Southern Downs Regional Council - \$2,388,700;
- Isaac Regional Council - \$4.063 million; and
- Torres Strait Island Regional Council - \$7.58 million.

Ms Boyle said the top-up funding to the six councils totalled \$18.3 million over and above the \$27.1 million provided to all amalgamating councils by the State Government in 2008.

"QTC has identified that the remaining councils who put submissions in have the capacity to cover the costs of amalgamation in their first term of government," she said.

"Of course, for these councils there have been and still are some costs of amalgamation but the benefits are beginning to flow. The costs are one-off, while the benefits will accrue year on year.

"At the same time I remind ratepayers that since July 2006, the 25 amalgamated councils who put in submissions have received local government grants and subsidies totalling over half a billion dollars."