17 June 2008

Committee Secretary Standing Committee on Infrastructure, Transport, Regional Development & Local Government PO Box 6021 House of Representatives Parliament House CANBERRA ACT 2600

Subject: Inquiry into New Regional Development Funding Program

Dear Sir,

On behalf of Council I hereby submit the following comments for your Committees consideration in relation to the above.

- 1. "Provide advice on future funding of regional programmes in order to invest in genuine and accountable community infrastructure projects".
 - Ensure that Councils are consulted on projects that affect their community and its infrastructure. This could involve as an example the Mayor or the General Manager being involved in the process of determining the merits of funding applications.

A Councils priorities may be in conflict with other organisations seeking financial assistance to undertake community infrastructure projects.

- Consideration be given to ensure that grants approved to organisations are sufficient to undertake major infrastructure projects i.e. projects that will impact positively on a community.
- Ensure that community consultation takes place on projects involving major expenditure on infrastructure. Evidence of this to be provided in the funding submission.

"Achievement through Action"



All correspondence to be directed to the General Manager

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- That funding proposal submitted to include a cost/benefit analysis. This would sort out projects that are marginal with limited benefits to the community.
- Greater weight be applied to smaller Regional Centres seeking funding as opposed to the larger Regional Centres which have a critical mass and an ability to fund infrastructure works.
- Priority for funding be given to communities that have endured severe and long periods of drought.
- Consideration be given to funding for employment schemes.
- 2. "Examine ways to minimise administrative costs and duplication for taxpayers"
 - Council believes that the most effective way of minimising administrative costs is to ensure that the funding application is streamlined to ensure that all the information sought is contained in the application form.
 - An insistence that consultation with the funding authority takes place prior to the lodgement of any application for funding.
 - Authority be given at the Executive Officer level to determine grants up to a certain threshold.
 - If committees are to be retained to oversee and determine funding application then membership numbers to these bodies be minimal.
 - That announcements of successful grants are made within a set period from the time of lodgement.
- 3. "Examine the former government's practices and grants outlined in the Australian National Audit Office Report on Regional Partnerships with the aim of providing advice on future funding of regional programmes"

Without having any detailed knowledge relating to the above and based on Press Reports at the time of the release of the Report, it would appear that in some cases there was a break down in accountability and transparency in the awarding of monies to some organisations. Accepting that this is the case it would appear that the programme requires:

 An overhaul to ensure that deficiencies identified are addressed to produce desirable outcomes based on the merits of the applications.

This would have the affect of restoring public confidence in the grants programme and at the same time provides a level playing field for all applicants.

4. "Examine the former government's practices and grants in the Regional Partnerships Programme after the audit period of 2003-2006 with the aim of improving advice on future funding of regional programmes.

Its my understanding that the Audit Report found inter alia that there was political interference in the allocation of grant money and that the \$410 million scheme did not meet an acceptable standard of public administration.

To ensure that this does not happen again the Committee may wish to consider:

- Having a process in place which removes any political interference from Ministers in the determination of grants to ensure that recommendations are not overridden by political considerations.
- Ensure that projects submitted for consideration meet the acceptable standards of scrutiny, accountability, transparency and public benefit.

In conclusion the Regional Partnerships Programme was a good one it enabled community organisations and groups to source monies to undertake a variety of initiatives which otherwise would not be undertaken.

It would appear that with greater scrutiny and the implementation of additional check and balances taxpayers would benefit from its continuation.

Should you require any additional information, please do not hesitate to contact me.

Yours faithfully,

Michael Conallin ECONOMIC DEVELOPMENT OFFICER

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HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON INFRASTRUCTURE, TRANSPORT REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT