Your Ref: Our Ref: 02/13/07 AM/lf Infra Ref: Contact:



13th June, 2008

Standing Committee on Infrastructure, Transport, Regional Development and Local Government. PO Box 6021 Parliament House CANBERRA ACT 2600 All mail and tenders: PO Box 151, Kyneton, Vic 3444 Tel: (03) 5422 0333 Fax: (03) 5422 3623 E: mrsc@macedon-ranges.vic.gov.au W: www.macedon-ranges.vic.gov.au ABN 42 686 389 537

Dear Sir/Madam,

<u>RE: Macedon Ranges Shire Council Submission to the "Inquiry into a</u> <u>New Regional Development Funding Program"</u>

Macedon Ranges Shire Council has requested that I prepare on its behalf a submission to the current inquiry. Below please find Council's response to each of the Terms of Reference of the inquiry.

The Regional Partnerships Program has been an essential source of funding for Macedon Ranges Shire Council. Without the support of these Federal funds a number of major infrastructure projects would not have proceeded. Council therefore supports an ongoing Federal Government role in funding much needed new or renewed community infrastructure.

"Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects."

Two of the biggest challenges faced by Macedon Ranges Shire Council like many other local government authorities in Australia are:

1. <u>The Asset Renewal Gap</u> - Council simply cannot meet the cost of maintaining and renewing aging infrastructure. Macedon Ranges Shire Council alone has an annual gap of \$6m per annum across all infrastructure classes. This gap is mirrored in the community where many local organizations can no longer afford to maintain and/or renew aging infrastructure. A number of our local community groups are faced with finding many thousands of dollars to make their facilities safe and functional let alone upgrade them to meet modern standards or increasing memberships. Many of these turn to local government for support. In an environment where local government is managing its own asset renewal gap we are not in the position to offer any substantial support. The end result is the loss of important community facilities (e.g. One local group can no longer use its hall as it cannot afford to make its roof safe), or a standard of community facilities that

H:\ADMINFY\ANNE\LETTERS\2008\June\L-New Regional Development Funding - June08.doc

Open Thurs 9.30am-6pm Open Wed 9.30am-6pm <u>Sport ovals and facilities:</u> Sport for many of our community is the glue that holds a community together. Councils like ours with a growing population are finding sports facilities are at capacity. In addition the impact of the drought has restricted the use of many grounds. Funding to plan and develop ovals, facilities and install recycled water, tanks and irrigation systems is a priority.

3. Connected Communities – 2 sub programs

, 6i · * *

<u>Multi function community facilities/hubs</u>: It is important to recognize that every community is different. Macedon Ranges Shire has nine (9) main towns and numerous smaller villages. Each of these has different infrastructure needs due to demographics, local community priorities, health and socioeconomic status, access to transport and local geography. The components of these facilities would therefore vary and may include any mix of: arts and cultural facilities, community meeting rooms, children services e.g. toy libraries, playgroups, multi function spaces, libraries etc. Whilst Council applauds the Government's Children's Hub concept it is important to recognise for many rural towns a different mix of facilities may be required to be included in a hub model.

<u>Community driven projects based on Community Plans</u>: Many councils in Victoria are working with local communities to develop 'bottom up' community plans. Council gives priority to projects identified by communities through these community planning processes and recommend to the Commonwealth to like wise give priority to projects identified through this process.

4. Economic Development

The economic viability of many rural towns is central to the overall wellbeing of our community. Support to councils to improve infrastructure, streetscapes and town amenities enable us to work with our business sector and community to improve economic and social sustainability.

5. Planning and feasibility projects

To ensure proposed infrastructure meets community need, is thoroughly planned, costed and integrated with other uses feasibility and master planning is required. Many rural communities do not have the resources to adequately complete this stage. In our experience unless thorough feasibility, concept planning and community consultation occurs projects miss the real need, respond to a 'squeaky wheel' or are over expended. Hence funding for planning is an important component not to be ignored in the new regional development program. The Victorian Department of Planning and Community Development have a community planning funding program that this could be modeled on.

Council recognises that many of the priorities listed above are also in the State Government's area of responsibility and may seem to duplicate funding programs at the state level. Council's view is that if Commonwealth, State and Local Government can work together to respond to these priorities then major change and development can occur and we will see significant improvement;

Alternatively strengthen the role of the Area Consultative Committees and devolve more of the decision making to them and allowing them to recommend directly to the Minister.

Council also wishes to express concern that many projects 'promised' funding by the previous government have now been told they will not be funded. Putting aside any political matters that may needed to have been resolved; the impact of this decision without it seems any additional analysis of the worth of individual projects has meant many very worthwhile projects are now at risk of failing. For example a long sought and much needed respite facility for children with a disability in Gisborne has not now been funded.

"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 programs."

Macedon Ranges Shire Council's experience with two substantial grants from the Regional partnerships program was positive. Departmental officers were thorough and transparent in their assessment and advice. Officers followed through and pursued council if we failed to meet reporting deadlines.

"Examine the former government's practices and grants in the regional partnerships program after the audit period of 2003-2006 with the aim of providing advice on future regional programs."

Macedon Ranges Shire Council received two grants during the period 2003-2006. Our comments in response to the above terms of reference also apply here.

Yours sinderely

di k

Anne McLennan Director, Community Wellbeing



H:\ADMINFY\ANNE\LETTERS\2008\June\L-New Regional Development Funding - June08.doc