

## Office of the Hon Gary Gray AO MP

Parliamentary Secretary for Regional Development and Northern Australia

received 27/8/08

*Reference: 06978-2008* 

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Ms Julia Irwin MP Chair House of Representatives Standing Committee on Petitions PO Box 6021 CANBERRA ACT 2600

Dear Chair July

## **RE: STANDING COMMITTEE ON PETITIONS – PETITIONS FOR THE ELECTORATE OF MAKIN**

Thank you for your letter dated 26 June 2008 to the Hon Anthony Albanese MP, Minister for Infrastructure, Transport, Regional Development and Local Government, about the two petitions regarding funding approved by the previous government in the electorate of Makin, for the Tilley Reserve Building Refurbishment/Additions project (RP03296) and Harpers Field Development project (RP03256), under the *Regional Partnerships* program. The Minister has forwarded your letter to me as I have portfolio responsibility for regional development issues.

As you may be aware, the Australian Government had to close the *Regional Partnerships* program in response to the Australian National Audit Office's three-volume, 1,200-page report, which found that "the manner in which the program had been administered...had fallen short of an acceptable standard of public administration".

However, it was clear from discussions with various community organisations and local councils that many were led to believe that funding agreements had been finalised with the previous government. This has placed them in a difficult situation.

I wrote to all not-for-profit and local government organisations with an approved and uncontracted *Regional Partnerships* project, which included the Tilley Reserve Building Refurbishment/Additions project and Harpers Field Development project, offering them the opportunity to finalise their contract with the Commonwealth subject to the following conditions:

- 1. the project still meets the Regional Partnerships program criteria;
- 2. money had already been spent or commitments entered into in good faith based on the advice from the previous government;

- 3. the conditions of the original funding offer can be met;
- 4. finalise contract negotiations and sign a contract by 31 July 2008; and
- 5. projects that involve construction or require a tender process have until 31 December 2008 to commence the project and/or have the tender process completed. All other projects must commence within six weeks of contract execution.

A total of 86 projects were offered the opportunity to meet the conditions.

Following advice from the Australian Government Department of Infrastructure, Transport, Regional Development and Local Government that the projects met the relevant conditions I wrote to Mr Murray, General Manager of Infrastructure and Mr Burke, Manager of Property Assets from the City of Tea Tree Gully on 29 May 2008 offering them the opportunity to finalise their contract negotiations with the Commonwealth.

Contract negotiations for both these projects have now been completed and funding agreements (contracts) for both projects have been signed.

I trust this information addresses the requirements of the committee.

Yours sincerely

GARY GRAY