

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000032**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 2 (17 March 2023)

**Topic:** UCF - Majority congestion hotspots of Melbourne

**Mr Julian Hill MP asked:**

CHAIR: Am I right in recalling from our previous hearing that, say, in the metropolitan area of Melbourne that the majority of congestion hotspots are in the north and the west of Melbourne?

Mr Hallinan: I'll have to take that on notice. I haven't looked at any of that information in quite some time.

**Answer:**

- In June 2019, Infrastructure Australia released a supplementary report into Urban Transport Crowding and Congestion.
- This report used a 2016 base year and found Melbourne's most congested roads are those that provide access to the inner city from the western and eastern suburbs, notably the Princes and Monash Freeways. Some key north-south routes also experience significant congestion during peak periods.

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000033**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 4 (17 March 2023)

**Topic:** UCF - Napoleon Road & Dorset Road were referred to Infrastructure Australia

**Mr Julian Hill MP asked:**

CHAIR: They evaluated those two projects, and the expectation was that it was over \$100 million. There are quite a number of projects that are over \$100 million, then, that were not evaluated by Infrastructure Australia. Why would that be?

Mr Hallinan: The process for evaluation, I think, with Infrastructure Australia changed through the period 2020. I think there was a review of the threshold at which Infrastructure Australia's evaluation would take effect, and that moved from \$100 million to \$250 million.

CHAIR: Why did Infrastructure Australia look at those two projects you've identified? They were well under \$100 million.

Mr Hallinan: I'm not certain, Chair. I'll have to take that on notice.

CHAIR: The projects were Napoleon Road Upgrade and Dorset Road Extension.

Mr Bourne: Chair, we'd have to take that on notice.

CHAIR: It just seems peculiar. I can understand that there's a threshold base thing; I can understand thresholds change. But on none of the figures that you've outlined could I understand why Napoleon Road Upgrade and Dorset Road Extension were referred to Infrastructure Australia. Did they proactively assess them? Did someone ask that they be assessed?

Mr Hallinan: We'll have to come back to you on notice.

**Answer:**

- Infrastructure Australia (IA) is required to evaluate business cases for infrastructure proposals with committed Australian Government funding above \$250 million.
- In March 2022, the Victorian Department of Transport submitted business cases for the Urban Congestion Fund major urban projects for assessment to IA as a proactive measure.
- In October 2022, IA released the final evaluation for these projects, including the Napoleon Road Upgrade – Lysterfield Road to Kelletts Road, and Dorset Road Extension.
- The Napoleon Road Upgrade – Lysterfield Road to Kelletts Road, and Dorset Road Extension projects were de-scoped at the 2022-23 October Budget.

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000034**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 6 (17 March 2023)

**Topic:** UCF - Allocation of fund for Napoleon Road Project upgrade

**Mr Julian Hill MP asked:**

CHAIR: Was the funding that was announced for these two projects sufficient to deliver the proposed scope of works?

Mr Hallinan: I don't think so. I'll just confirm that. No, there wasn't enough funding. I think the early analysis with the Victorian government indicated that the projects would cost more.

CHAIR: The figures I have here, and perhaps you could verify them, are that for the Napoleon Road upgrade—this commitment was made without consultation with the Victorian government—\$50 million was allocated, and that was \$223 million short of the actual cost to deliver the project.

Mr Hallinan: That sounds about right. I can confirm on notice. If it's incorrect, I can correct that.

**Answer:**

- At the 2019-20 Federal Budget, the Australian Government committed \$50 million for the Napoleon Road Upgrade – Lysterfield Road to Kelletts Road project.
- During the scoping and development phase of this project, the Victorian Government advised significant additional funding was required to deliver the full scope of the project. The additional amount is understood to be around \$220 million.
- At the 2022-23 October Budget, the Australian Government decided to cease this project at the scoping stage.

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**Committee Inquiries Question on Notice**

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**Inquiry into Commonwealth Grants Administration**

**IQ23-000035**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 5 (17 March 2023)

**Topic:** UCF - Allocation of fund for Dorset Road Project upgrade

**Mr Julian Hill MP asked:**

CHAIR: That would be great. Similarly, for the Dorset Road upgrade, which was also rejected by Infrastructure Australia, the advice I have is that the department says it was budgeted for \$50 million, and it looks like the former local member, Alan Tudge, promised \$80 million, but the project is likely to require an extra \$120 million to deliver the preferred option identified in the business case.

Mr Hallinan: I can't verify all of that, but I can come back to you with the department's number and the total estimate in the end, if you'll allow me, to confirm that's accurate.

**Answer:**

- At the 2019 Federal Election, the Australian Government committed \$50 million for the Dorset Road Upgrade, and \$80 million for the Dorset Road Extension.
- During the scoping and development phase for these projects, the Victorian Government advised significant additional funding of approximately over \$440 million was required to deliver the full scope for both projects.
- At the 2022-23 October Budget, the Australian Government descope these projects to not continue with planning or delivery.

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000036**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 5-6 (17 March 2023)

**Topic:** UCF - BCR Projects

**Mr Julian Hill MP asked:**

Mr Hallinan: Certainly if you're going through the Infrastructure Australia assessment process you'll end up with a BCR, yes.

CHAIR: Right. Could you reconsider the answer to the question, take it on notice again and provide us with BCRs for the projects for which you have them and identify the ones for which there is no BCR available or never was?

Mr Hallinan: Yes, we can do that. We'll come back to you with something. There are a whole range of projects that aren't going ahead. We'll have to figure out how we deal with those as well in the response. We might do the full list and then just some categories of—

**Answer:**

List of the benefit-cost ratios (BCR) for Urban Congestion Project as at March 2023.

Please note, BCRs are reported based on different cost estimation methods (as outlined in the Notes on Administration on Land Transport Infrastructure) hence comparisons are not possible.

Project Name	Discount Rate	
	4%	7%
Dunheved Road Upgrade, Penrith	3.0	1.8
The Horsley Drive Upgrade	9.2	6.1
Edgbaston Road-Melvin Street roundabout, Beverly Hills	-	4.4
Central Coast Roads Package	1.8	1.5
King Georges Road Upgrade - Stage 1 and 2A (early works)	3.0	2.0
Homebush Bay Drive	Not available <sup>#</sup>	
Princes Highway and Waratah Street Intersection Upgrade	Not available <sup>#</sup>	
Blaxland Road/Balaclava Road Intersection Improvements	Not available <sup>#</sup>	
Ballarto Road, Skye	1.1	0.9

Project Name	Discount Rate	
	4%	7%
Calder Freeway - Gap Road to the M80 Ring Road	Not available <sup>#</sup>	
Fitzsimons Lane and Main Road Corridor, Eltham - Nillumbik Shire Council	Not required <sup>^</sup>	
Hume Freeway - Watson Street to the M80 Ring Road	Not available <sup>#</sup>	
Maroondah Highway, Coldstream	Not available <sup>#</sup>	
McGregor Road, Pakenham	Not available <sup>#</sup>	
Plymouth Road Improvements	0.5	0.3
Princes Highway Intersection Upgrades - Pakenham to Beaconsfield	8.7	6.2
Forest Drive and Nepean Highway Intersection Upgrade	1.7	1.4
Napoleon Road Upgrade - Lysterfield Road to Kelletts Road	Not available <sup>#</sup>	
Racecourse Road Upgrade	Not available <sup>#</sup>	
Uralla Road and Nepean Highway Intersection Upgrade	2.5	2.0
Wellington Road Duplication	Not available <sup>#</sup>	
Murradoc Road Upgrade	0.9	1.0
Mornington Peninsula Freeway Upgrade	17.0	13.9
Reilly Street and Wantirna Road Intersection Upgrade	2.5	1.8
Burwood Road Intersection Upgrades	1.5	1.2
Yarra Boulevard Upgrade	3.0	2.1
Camberwell Road / Monteath Avenue / Redfern Road Intersection Upgrade	0.7	0.5
Tortice Drive and Wonga Road Intersection Upgrade, Ringwood North	Not required <sup>^</sup>	
Henderson Road Upgrades	2.9	2.2
Dorset Road Upgrade	Not available <sup>#</sup>	

Project Name	Discount Rate	
	4%	7%
Canterbury Road Upgrade	18.2	12.7
Clyde Road and Monash Freeway Intersection Upgrade	Not available <sup>#</sup>	
Boronia Road and Lewis Road Intersection Upgrade	0.3	0.2
Western Freeway Upgrade - M80 Ring Road to Ferris Road	Not available <sup>#</sup>	
Clyde Road and Kangan Drive Intersection Upgrade, Berwick	Not available <sup>#</sup>	
Frankston-Flinders Road Upgrade, Balnarring	-3.8	-2.8
Glenferrie Road Level Crossing Removal, Kooyong	Not available <sup>#</sup>	
Grubb Road Upgrade, Ocean Grove	6.6	4.7
Madden Grove Level Crossing Removal Study, Burnley	Not available <sup>#</sup>	
Mont Albert Road and Balwyn Road Intersection Upgrade, Balwyn	0.7	0.5
Whitehorse Road and Balwyn Road Intersection Upgrade, Balwyn	8.1	7.1
Tooronga Road Level Crossing Removal Study, Tooronga	Not available <sup>#</sup>	
Tram Road Upgrade, Doncaster	0.5	0.4
School Infrastructure road upgrades in Nillumbik Shire	Not required <sup>^</sup>	
Tortice Drive and Warrandyte Road Intersection Upgrade, Ringwood North	Not required <sup>^</sup>	
Dorset Road Extension	Not available <sup>#</sup>	
Fitzsimons Lane and Main Road Corridor, Eltham - Manningham City Council	3.7	2.6
Newnham Road and Wecker Road Intersection Upgrade, Mount Gravatt	3.5	2.4
Chelsea Road - Rickertt Road Intersection Upgrade, Ransome	-0.22	-0.2
Panorama Drive - Wellington St, Thornlands/Cleveland	2.8	1.9
Youngs Crossing Road, Lawnton	1.98	1.34

Project Name	Discount Rate	
	4%	7%
Gympie Arterial Road (Strathpine Interchange)	7.15	5.21
Mt Lindesay Highway - Stoney Camp Road to Chambers Flat Road	2.46	1.56
M1 Pacific Motorway Upgrade Program - Exit 41 and Exit 49	3.09	1.85
Barbour Road and Norris Road, Bracken Ridge	2.32	1.56
Norris Road, Bracken Ridge	0.27	0.21
Hoyland Street, Bracken Ridge	0.3	0.25
Indooroopilly Roundabout Intersection Upgrade	2.44	1.74
Lindum Rail Crossing Upgrade	1.55	1.07
Mooloolaba Access Upgrade	3.01	2.05
High Road and Easterly Street, Waterford Upgrade	1.94	-
Henry Road- Dohles Rocks Road Upgrade, Griffin	1.62	1.13
Klingner Road- Boardman Road intersection upgrade, Kippa-Ring	7.29	5.15
Boundary Road level crossing, Coopers Plains	3.4	2.3
Beenleigh-Beaudesert Road Upgrade, Beenleigh	7.1	4.9
Chambers Flat Road upgrade, Park Ridge	1.62	1.13
Rochedale-Priestdale Road intersection, Rochedale	1.66	1.02
Williamson Road-Days Road intersection upgrade, West Coomera	6.2	4.9
Leach Highway (Welshpool Road Interchange)	0.85	0.7
Mitchell Freeway Extension - Hester Avenue to Romeo Road	3.6	2.5
Roe Highway/Great Eastern Highway Bypass and Abernethy Road/Great Eastern Highway Bypass Interchanges	1.32	1.09
Stephenson Avenue Extension	2.1	1.44



Project Name	Discount Rate	
	4%	7%
Abernethy Road, Kewdale	1.32	1.09
Lloyd Street Extension, Hazelmere	1.32	1.09
Transforming Freeways - Widen and Introduction of ITS (Mitchell Freeway Southbound)	3.3	2.5
Fremantle Traffic Bridge (Swan River Crossing)	5.5	3.8
Thomas Road and Nicholson Road	0.87	0.56
Upgrade Great Eastern Highway and Old Northam Road, Wooroloo and Sawyers Valley	4.76	3.26
Mitchell Freeway widening (Hodges Drive to Hepburn Ave)	18.1	12.69
Gnangara Road Upgrade	7.57	5.02
Great Northern Highway-Apple Street intersection upgrade, Upper Swan	0.03	0.02
The Broadway upgrade, Ellenbrook	10.63	6.96
The Broadway-The Promenade intersection upgrade, Ellenbrook	10.63	6.96
Erindale Road-Reid Highway Business Case, Hamersley	-	-
Wanneroo Road-Morley Drive intersection upgrade, Balcatta	4.3	3.5
Lakelands Station, Lakelands	-	1.2
Trackless Tram and Road Infrastructure (Scarborough Beach Road) Business Case	-	-
Flynn Drive Upgrade, Neerabup	1.7	1.7
Cross Road - Fullarton Road Intersection	4.2	2.9
Goodwood, Springbank and Daws Road Intersection Upgrade	3.7	2.8
Portrush Road - Magill Road Intersection	9.7	6.1
Metro Intersection Upgrade Program - Glen Osmond Road/Fullarton Road Intersection Upgrade	9.3	6.5
Metro Intersection Upgrade Program - Grand Junction Road/Hampstead Road Intersection Upgrade	12.3	7.9

Project Name	Discount Rate	
	4%	7%
Metro Intersection Upgrade Program - Main North Road / Nottage Terrace Junction Upgrade	3.6	2.4
Metro Intersection Upgrade Program - Main North Road / Kings Road / McIntyre Road Intersection Upgrade	20.3	13.7
Metro Intersection Upgrade Program - Torrens Road (Ovingham) Level Crossing Upgrade	0.5	0.3
Hobart Congestion Package	Not available <sup>#</sup>	
Launceston Eastern Bypass Study	Not available <sup>#</sup>	
Tasman Highway Intelligent Transport Solutions	0.3	0.2
Commuter Car Park Upgrade - T1 North Shore, Northern and Western Line - Kingswood	2.09*	1.52*
Commuter Car Park Upgrade - T1 North Shore, Northern and Western Line - St Marys	2.09*	1.50*
Commuter Car Park Upgrade - T8 East Hills Line - Campbelltown	5.90*	4.20*
Commuter Car Park Upgrade - T8 East Hills Line - Revesby	0.48*	0.26*
Commuter Car Park Upgrade - T8 East Hills Line - Riverwood	2.09*	1.52*
Commuter Car Park Upgrade - Emu Plains	0.66*	0.40*
Commuter Car Park Upgrade - Woy Woy	0.2	0.1
Commuter Car Park Upgrades - Ferny Grove and Mango Hill		
	Ferny Grove	1.65*      1.18*
	Mango Hill	8.59*      6.17*
Beenleigh Station commuter car park, Beenleigh	2.09*	1.5*
Coomera Station commuter car park, Coomera	11.10*	7.96*
Loganlea Station commuter car park, Loganlea	Not available <sup>#</sup>	
Commuter Car Park Upgrades - Ringwood	3.39*	2.43*
Commuter Car Park Upgrade - Berwick Railway Station	3.3	2.4

Project Name	Discount Rate	
	4%	7%
Commuter Car Park Upgrade - Frankston Line - Frankston	3.0	2.1
Commuter Car Park Upgrade - Pakenham Line: Pakenham and Pakenham East	12.3	11.9
Commuter Car Park Upgrades - Northern Lines - Overall	3.2	2.4
Craigieburn	13.5	10.2
Epping	4.6	3.4
Greensborough	0.6	0.4
Merlynston	1.2	0.9
Sunbury	4.0	3.0
Watergardens	5.5	4.0
Hurstbridge	9.6	6.9
Commuter Car Park Upgrade - Eltham Station	2.5	1.8

*\*BCR based on departmental calculation, the remainder were provided by the proponent*

*# Project in planning and the design has not progressed sufficiently to develop BCR.*

*^ Given the size of the project and its associated funding, a Cost Benefit Analysis was not required.*

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000037**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 6 (17 March 2023)

**Topic:** UCF - Status of costs of the projects

**Mr Julian Hill MP asked:**

CHAIR: You acknowledged just then, I think, that some of the cost estimates for perhaps the less-developed projects were—I can't remember the words you used—less certain; I'd say rubbery, and that there were significant variations in costs. Is there a total figure in terms of the cost blowouts for the projects that have proceeded?

Mr Hallinan: I don't think we've got an aggregate number, but we could come back to you on notice with where costs are now for projects versus where—

CHAIR: I got out my calculator and did the 83 per cent figures, but I haven't had time to go back and add up the variations and work out a percentage. If you could give us an aggregate number and a percentage of blowouts on the projects where there was a positive variation, that would be helpful.

Mr Hallinan: Okay.

**Answer:**

Of the Urban Congestion Fund (UCF) projects that proceeded, 36 projects have had positive variations to their initial costs. On averaged there was a 44 per cent increase in costs to UCF projects that had an positive variation to their Total Project Costs.

Project Name	Initial Total Project costs (\$M)	Current Total Project costs (\$M)	Net Increase (\$M)	Increase %
Dunheved Road Upgrade, Penrith	63.5	128.3	64.8	102
Central Coast Roads Package (delivered across 29 sites)	69.8	86.5	16.7	24
King Georges Road Upgrade - Stage 1 and 2A (early works)	100	160	60	60
Princes Highway and Waratah Street Intersection Upgrade	8	15.2	7.2	90
Blaxland Road/Balaclava Road Intersection Improvements	9	13.4	4.4	49
Calder Freeway - Gap Road to the M80 Ring Road	50	100	50	100
Plymouth Road Improvements	3.05	4.4	1.35	44
Princes Highway Intersection Upgrades - Pakenham to Beaconsfield	17.8	31.05	13.25	74

## Infrastructure, Transport, Regional Development, Communications and the Arts

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Project Name	Initial Total Project costs (\$M)	Current Total Project costs (\$M)	Net Increase (\$M)	Increase %
Forest Drive and Nepean Highway Intersection Upgrade	5	10	5	100
Uralla Road and Nepean Highway Intersection Upgrade	5	10.5	5.5	110
Yarra Boulevard Upgrade	5	7	2	40
Camberwell Road / Monteath Avenue / Redfern Road Intersection Upgrade	1.8	3.58	1.78	99
Henderson Road Upgrades	9	14.26	5.26	58
Canterbury Road Upgrade	24.5	47.6	23.1	94
Tortice Drive and Warrandyte Road Intersection Upgrade, Ringwood North	0.25	4.75	4.5	1800
Youngs Crossing Road, Lawnton	58.5	83.25	24.75	42
Gympie Arterial Road (Strathpine Interchange)	30	35.05	5.05	17
Beenleigh-Beaudesert Road Upgrade, Beenleigh	10	12	2	20
Chambers Flat Road upgrade, Park Ridge	22.6	28.81	6.21	27
Mitchell Freeway Extension - Hester Avenue to Romeo Road	215	232	17	8
Stephenson Avenue Extension	130	165	35	27
Transforming Freeways - Widen and Introduction of ITS (Mitchell Freeway Southbound)	100	140	40	40
Fremantle Traffic Bridge (Swan River Crossing)	230	280	50	22
Thomas Road and Nicholson Road	20	28	8	40
Wanneroo Road-Morley Drive intersection upgrade, Balcatta	15	20	5	33
Commuter Car Park Upgrades - Ferny Grove and Mango Hill (delivered across two project sites)	30	32	2	7
Commuter Car Park Upgrades - Ringwood	15	29.7	14.7	98
Commuter Car Park Upgrades - Croydon	15	18	3	20
Commuter Car Park Upgrade – Berwick Railway Station	15	64.2	49.2	328
Commuter Car Park Upgrade – Frankston Line – Frankston	24.5	87	62.5	255
Commuter Car Park Upgrade - Woy Woy	5	13.2	8.2	164
Commuter Car Park Upgrade - T8 East Hills Line - Campbelltown	15	22.09	7.09	47
Commuter Car Park Upgrade - T8 East Hills Line - Revesby	29	32	3	10

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<b>Project Name</b>	<b>Initial Total Project costs (\$M)</b>	<b>Current Total Project costs (\$M)</b>	<b>Net Increase (\$M)</b>	<b>Increase %</b>
Commuter Car Park Upgrade - T8 East Hills Line - Riverwood	40	41	1	3
Commuter Car Park Upgrade - T1 North Shore, Northern and Western Line - St Marys	20	33.75	13.75	69
Commuter Car Park Upgrade - T1 North Shore, Northern and Western Line - Kingswood	20	32	12	60
	<b>1431.3</b>	<b>2065.59</b>	<b>634.29</b>	<b>44</b>

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000038**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 6 (17 March 2023)

**Topic:** UCF - Traffic lights at the intersection of Camberwell Road and Redfern Road & Monteath Avenue

**Mr Julian Hill MP asked:**

CHAIR: There was one project which piqued my interest. It's a project on the books now, which I think is out to tender. It's a set of traffic lights at the intersection of Camberwell Road and Redfern Road and Monteath Avenue. They're both two small side streets running off Camberwell Road. From the research that I managed to do, the road is a state road, but at that point it's a very small set of local shops in Kooyong. It's actually one lane each way, with on-street parking in the two side streets, residential streets. There was announcement there was going to be this set of traffic lights—\$1.8 million, which the Commonwealth was 100 per cent funding—a local set of traffic lights. But the tender in May this year, which is out of the moment, is for \$3.6 million. Can you shed any light on the national urban congestion priorities that this set of traffic lights might be addressing?

Mr Hallinan: I think as the audit report identifies, we didn't identify the projects that were selected, and I think the advice that the department provided into the processes, as also identified in the audit report—we couldn't make recommendations on the projects, given the limited time available to us to conduct assessments.

CHAIR: Okay. That was in that basket of projects, was it?

Mr Hallinan: I'm not certain.

CHAIR: It was announced around the 2019 election. So, from recollection of your previous answers, it would be highly likely to have been in that basket where the department just wasn't able to provide advice. Maybe you could just confirm that.

Mr Hallinan: I will confirm that.

**Answer:**

- At the 2018-19 Federal Budget, the Australian Government committed \$140 million towards the Victorian Congestion Package (VCP). This package was announced to deliver targeted upgrades on arterial roads across Melbourne to address 'pinchpoints' in the network.
- The Camberwell Road, Monteath Avenue, Redfern Road Intersection Upgrade project (with an original Australian Government commitment of \$1.8 million) was identified as part of the VCP.
- At the 2019 MYEFO, the project was merged into the Urban Congestion Fund.
- On 19 October 2021 the Australian Government committed an additional \$1.78 million, bringing the total Australian Government commitment to \$3.58 million.

- The project will upgrade the Camberwell Road, Monteath Avenue and Redfern Road intersection in Hawthorn East and is expected to improve road safety and efficiency at this location.
- The process of initial project identification and decisions regarding commitment of Australian Government funding are decisions of Cabinet and as such, further details cannot be disclosed.



**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

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**Inquiry into Commonwealth Grants Administration**

**IQ23-000039**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 6 (17 March 2023)

**Topic:** UCF - Traffic lights on a 'one lane each way'

**Mr Julian Hill MP asked:**

CHAIR: There were a lot of curious projects in this program, but a local set of traffic lights on a 'one lane each way' street with two residential side streets did strike me as extra curious, even out of the projects that were funded. Can you tell me how that project came about? Does the department have any insight in its files or recollections as to how that particular project came about? I understand that, as a general answer, you weren't involved in the project selection, but might there be some indication on your files as to how that particular project came about?

Mr Hallinan: I can take it on notice, but, if there was information that we had available on specifically how the project was identified, it would have been drawn out through the audit.

CHAIR: But it wasn't a commuter car park project; it was a set of traffic lights—local pedestrian lights from national transport funding.

Mr Hallinan: It would be a similar process, but I'll confirm for you

**Answer:**

- At the 2018-19 Federal Budget, the Australian Government committed \$140 million towards the Victorian Congestion Package (VCP). This package was announced to deliver targeted upgrades on arterial roads across Melbourne to address 'pinchpoints' in the network.
- The Camberwell Road, Monteath Avenue, Redfern Road Intersection Upgrade project was identified as part of the VCP.
- At the 2019 MYEFO, this project was merged into the Urban Congestion Fund.
- The process of initial project identification and decisions regarding commitment of Australian Government funding are decisions of Cabinet and as such, further information cannot be disclosed.

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

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**Inquiry into Commonwealth Grants Administration**

**IQ23-000040**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 6-7 (17 March 2023)

**Topic:** UCF - Advice to government regarding projects to be funded

**Mr Julian Hill MP asked:**

CHAIR: I suspect it's no coincidence that it was a little intersection out the front of Josh Frydenberg's electorate office, but there you go. In relation to questions 34 and 35, your advice to government regarding projects to be funded was subject to cabinet decision-making. So some of the projects you simply didn't have time to provide advice on and some of them you did. Is that correct?

Mr Hallinan: I think there was one submission the department provided to ministers in late 2018—I'll confirm this, though—where we had, as a department, identified a series of projects and provided recommendations with analysis on them. That was in 2019. I'll just confer with my colleagues. I think that was November 2018—a draft list of 19 proposed projects. That's captured in the audit report under paragraph 2.27.

**Answer:**

- On 2 November 2018, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts provided draft advice to the Minister's Office about 19 proposed Urban Congestion Fund projects across seven states/territories.
- The Camberwell Road, Monteath Avenue, Redfern Road Intersection Upgrade, was not included in this analysis by the department.
- The Camberwell Road, Monteath Avenue, Redfern Road Intersection Upgrade project (with an original Australian Government commitment of \$1.8 million) was identified as part of the Victorian Congestion Package (VCP), a package agreed separately in the 2018-19 Budget.
- At the 2019 MYEFO, the project was merged into the Urban Congestion Fund.
- Formal advice to the Australian Government on the overall design of the program was subject to Cabinet decision-making and as such, this information cannot be released.

**Infrastructure, Transport, Regional Development, Communications and the Arts**

**Committee Inquiries Question on Notice**

**Joint Committee of Public Accounts and Audit**

**Inquiry into Commonwealth Grants Administration**

**IQ23-000041**

**Division/Agency:** DIV - Infrastructure Investment

**Hansard Reference:** Spoken, Page No. 10 (17 March 2023)

**Topic:** UCF - policy criteria, evaluation framework & consistent methodology

**Mr Julian Hill asked:**

CHAIR: Thanks, Senator Canavan. That's really useful. Just to be clear, I'm exploring. I am not in any way suggesting that we apply the grants framework to all Commonwealth-state payments. I think your examples there are really helpful to try and tease out the fact that it's not black and white. Perhaps you could take this on notice for the department—and this is probably in the grey zone; we're not asking for policy advice, but if you could take it in the spirit it's intended. Perhaps you could give us an analysis and explanation of which elements of the grants framework you are drawing on in the examples of the projects that you're running a more grants-like process for.

Mr Hallinan: We can do that.

CHAIR: I think that's a reasonable question, if taken in the spirit of trying to be constructive and putting some precision around the questions that Senator Canavan was getting to. I completely agree that, in Roads of Strategic Importance, you haven't got that private sector, local government and community group conflict-of-interest stuff. But, intuitively, I'd think the elements which we're struggling with and where you could make criticisms of the UCF are: What's the policy criteria? What's the evaluation framework? What's the more consistent methodology, as best you can lay it out? Even in an informed-investor, closed-market approach, there'd be elements of the grants framework that you could be drawing on, and I'm sure you are drawing on, in effect, to administer those grants-like programs.

Mr Hallinan: Yes, we can come back to you with something on that. I think we've done a fair bit of first principles work on that in the last 12 months.

**Answer:**

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts has improved its processes and practices following the Australian National Audit Office (ANAO) audit, by applying principles of the Commonwealth Grants Rules and Guidelines more closely to infrastructure program design.

A range of new and detailed guidance material has been developed by the department to support staff when designing programs and to apply assessment procedures for projects, prior to making recommendations to the Minister. This includes practice directions, fact sheets and explanatory memoranda for the different processes. The department is also implementing additional procedures to address findings from the ANAO audit, including implementing a new records management system, and strengthening governance frameworks by establishing a performance monitoring framework for programs funded under the Infrastructure Investment Program. This framework will include an

implementation plan, performance indicators and an evaluation strategy specific to the funding program. In its audit the ANAO provided six recommendations, of which the department has closed four. The department provides regular updates to the Audit and Risk Committee (ARC) who oversees the implementation of agreed recommendations from ANAO performance audits, and parliamentary committees including the Joint Committee of Public Accounts and Audit. The department is aiming to implement these arrangements to acquit the remaining recommendations by the third quarter of this year.

The department has since refined the Heavy Vehicle Safety and Productivity Program (HVSPP), the Heavy Vehicle Rest Area Program Initiative (HVRA) and Bridges Renewal Program (BRP) having further regard to these principles (see Table 1).

**Table 1: Commonwealth Grants Rules and Guidelines principles applied to HVSPP and HVRA**

Principles	Innovation
Robust planning and design Proportionality	To reduce the proliferation of programs, Cabinet decided that the HVRA would be delivered through the existing HVSPP with a specific rest area criterion as an addendum to the existing program guidelines.
Robust planning and design Collaboration and partnership	To meet the commitment to design the HVRA initiative 'after close consultation with truckies', a steering committee has been established to: agree what type of rest areas the program should target; agree what's needed to make sure applications get submitted for those types of project; and, agree how to select the best projects.

**Table 2: Commonwealth Grants Rules and Guidelines principles applied to HVSPP, HVRA and BRP**

Principles	Innovation
Governance and accountability Proportionality	Adopted common guidelines across the BRP and HVSPP, with the outcome that processes are identical and consistent for the department and proponents.
Robust Planning and Design Collaboration and Partnership Outcomes orientation	Moved to continuous open rounds, allowing proponents to submit their application when they are mature, instead of when a round is opened.
Collaboration and Partnership Outcomes Orientation Value with Relevant Money	Allowing the submission of design and construct projects, thus aligning applications with common industry practice.
Governance and accountability Probity and Transparency	Ensuring a minimum number of applications before the assessment process commences to ensure a competitive field.
Value with Relevant Money Governance and accountability Probity and transparency Collaboration and Partnership	Allowing applicants to receive feedback and resubmit their submissions, following a decision on their application to improve the overall quality of applications.

Principles	Innovation
Proportionality	
Robust planning and design Governance and accountability.	Incorporated a “strategic need” element into the assessment criteria, to allow the government to prioritise particular classes of projects, in a transparent and high integrity way.

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**IQ23-000042**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 11 (17 March 2023)

**Topic:** RGF - Canberra was excluded but Hobart and Darwin were not

**Mr Julian Hill MP asked:**

Mr Mackay: This definition was captured in the program guidelines. Projects had to be located in Australia and in an eligible area; or if the project was located in an excluded area, the applicant needed to clearly demonstrate how the ongoing economic benefit would flow directly into an eligible area. With that caveat, the excluded areas were what's called urban centre and locality, cities, of over one million people, so Sydney, Melbourne, Brisbane, Perth and Adelaide. For Canberra, the excluded area was only the part of the Canberra Queanbeyan urban area that's located in the ACT. So if you like eligibility was defined as everything in Australia that wasn't captured by an excluded area—Brisbane, Sydney, Melbourne, Perth, Adelaide and the city of Canberra, essentially. The Bureau of Statistics defines Canberra-Queanbeyan as a significant urban area, but for the purposes of this it was the part of that that's within the ACT border.

CHAIR: So Canberra was excluded but Hobart and Darwin were not. Was there any reason for that? Decision of government?

Mrs Hibbert: I think at the time that's how we were defining a region per these ABS definitions.

Mr Mackay: That's one we could take on notice to see whether there's anything in the records about the selection of that particular definition because, as we've discussed previously, they do vary. There's nothing in the guidelines that elaborates on your question, but we'd be very happy to check that on notice.

**Answer:**

On 20 June 2016, the former Australian Government announced the Building Better Regions Fund (BBRF). Program guidelines for Round One were released on 23 November 2016, and at that time the BBRF program used the Australian Bureau of Statistics (ABS) Significant Urban Areas (SUAs) of the major capital cities to determine geographic eligibility. Other options were considered, including the ABS' Greater Capital City Statistical Areas. However, SUAs define narrower boundaries for capital cities than other considered options, which maximised the number of eligible regions while still giving effect to the policy intent of the BBRF program. The former government undertook to review the BBRF program, including the geographic eligibility criteria following Round One.

During Round One the BBRF program eligibility criteria was the subject of significant media attention in Western Australia, in particular why the northern part of the Peel region (principally the City of Mandurah and Pinjarra) was excluded from the program.

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The BBRF was reviewed in mid 2017 after assessment work relating to Round One was complete. Taking the above into consideration, on 1 August 2017 the former government expanded the eligible geographic boundaries for BBRF Round Two and projects located outside the eligible geographic boundaries became eligible for funding where the project benefits would be realised in eligible regions. For Round Two, the ABS' 2016 Urban Centre Locality (UCL) cities over one million people for Sydney, Melbourne, Brisbane, Perth and Adelaide was used to determine geographic eligibility. SUA continued to be used for Canberra, as it did not have a population over one million people.

Based on departmental advice, on 1 August 2017 the former government agreed to adopt the same geographic eligibility criterion for the Regional Growth Fund as was established for BBRF Round Two. This was subsequently reflected in the Regional Growth Fund Guidelines.

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**IQ23-000043**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 11 (17 March 2023)

**Topic:** RGF - Process of developing the guidelines

**Mr Julian Hill MP asked:**

CHAIR: One of the points of curiosity with these programs is the varying definitions of regions and the confusion that causes to some councils and stakeholders as well as the opportunity it provides, frankly, for double dipping. Some areas seem to be able to access metropolitan grants one day and regional grants the other, and that privilege wasn't accorded in a consistent way.

Mr Mackay: We'll check that on notice.

CHAIR: Can you also outline to us the process that led up to the decisions that were taken around the definition of what was eligible and what wasn't? Was it all based on department advice that was accepted?

Mr Mackay: Do you mean the process of developing the guidelines?

CHAIR: Yes.

Mr Mackay: I'll see if Mrs Hibbert can elaborate on that. We may need to take the detail of that on notice in terms of the timing of advice

**Answer:**

Based on departmental advice, on 1 August 2017 the former government agreed to adopt the same geographic eligibility criterion for the Regional Growth Fund as was established for BBRF Round Two. This was subsequently reflected in the Regional Growth Fund Guidelines.

The BBRF program used the Australian Bureau of Statistics (ABS) Significant Urban Areas (SUAs) of the major capital cities to determine geographic eligibility for Round One. Other options were considered, including the ABS' Greater Capital City Statistical Areas. However, SUAs define narrower boundaries for capital cities than other considered options, which maximised the number of eligible regions while still giving effect to the policy intent of the BBRF program. The former government undertook to review the BBRF program, including the geographic eligibility criteria, following Round One.

The BBRF was reviewed in mid 2017 after assessment work relating to Round One was complete. On 1 August 2017, the former government expanded the eligible geographic boundaries for BBRF Round Two. Projects located outside the eligible geographic boundaries became eligible for funding where the project benefits would be realised in eligible regions. For Round Two, the ABS' 2016 Urban Centre Locality (UCL) cities over one million people for Sydney, Melbourne, Brisbane, Perth and Adelaide was used to determine



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geographic eligibility. SUA continued to be used for Canberra as per Round One, as it did not have a population over one million people. This was subsequently reflected in the published BBRF Round Two Infrastructure Projects (IP) Stream and Community Infrastructure (CI) Stream Guidelines.

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**IQ23-000044**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 12 (17 March 2023)

**Topic:** RGF - Content of the guidelines taken by government about eligibility process

**Mr Julian Hill MP asked:**

Mrs Hibbert: What I've got here are some key dates that I think will help me with this. There was an announcement of the program as part of the 2017-18 budget. Then we provided draft guidelines to the minister on 16 February 2018, and they were approved on 20 February 2018. Then we sent a letter to the Prime Minister on guidelines, an announcement strategy and so on to implement that on 23 February. Given those dates are quite close together and there's no record that I can see of any back and forth, I'm assuming that, from those records, what we provided as advice was accepted and approved. There's nothing to say that it wasn't.

CHAIR: Although it would be possible or normal that you had preliminary discussions with the minister or their office before finalising the advice?

Mr Mackay: Yes. That's true.

Mrs Hibbert: Yes.

CHAIR: And/or it would be possible or normal that some of the content of the guidelines flowed from decisions that were already taken by government about eligibility?

Mrs Hibbert: We can take that on notice.

Mr Mackay: What you say is possible, but we would have to take on notice the specifics for this program

**Answer:**

The department has previously provided information to the Committee that confirms the program guidelines for the Regional Growth Fund approved by the former Minister are consistent with the information outlined in the original policy authority received from Cabinet.

In addition the department can confirm that on 20 June 2016, the former Australian Government announced the Building Better Regions Fund (BBRF). Program guidelines for Round One were released on 23 November 2016, and at that time the BBRF program used the Australian Bureau of Statistics (ABS) Significant Urban Areas (SUAs) of the major capital cities to determine geographic eligibility. Other options were considered, including the ABS' Greater Capital City Statistical Areas. However, SUAs define narrower boundaries for capital cities than other considered options, which maximised the number of eligible regions while still giving effect to the policy intent of the BBRF program. The former government undertook to review the BBRF program, including the geographic eligibility criteria following Round One.

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During Round One the BBRF program eligibility criteria was the subject of significant media attention in Western Australia, in particular why the northern part of the Peel region (principally the City of Mandurah and Pinjarra) was excluded from the program.

The BBRF was reviewed after Round One and the eligible geographic boundaries were expanded for BBRF Round Two. Projects located outside the eligible geographic boundaries became eligible for funding where the project benefits would be realised in eligible regions. For Round Two, the ABS' 2016 Urban Centre Locality (UCL) cities over one million people for Sydney, Melbourne, Brisbane, Perth and Adelaide was used to determine geographic eligibility. SUA continued to be used for Canberra, as it did not have a population over one million people.

Based on departmental advice, on 1 August 2017 the former government agreed to adopt the same geographic eligibility criterion for the Regional Growth Fund as was established for BBRF Round Two. This was subsequently reflected in the Regional Growth Fund Guidelines.

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**IQ23-000045**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 12 (17 March 2023)

**Topic:** RGF - Geolocation details for application process

**Mr Julian Hill MP asked:**

CHAIR: Have you got a map that you could give us around each of the excluded capital cities where the lines were drawn?

Mr Mackay: We could certainly provide one on notice. It's a Bureau of Statistics definition, but I imagine it would be very straightforward to source that map.

CHAIR: And that was applied in a consistent fashion?

Mrs Hibbert: Yes. People have to put in their geolocation details as part of the application process.

CHAIR: Thanks. Please take that on notice.

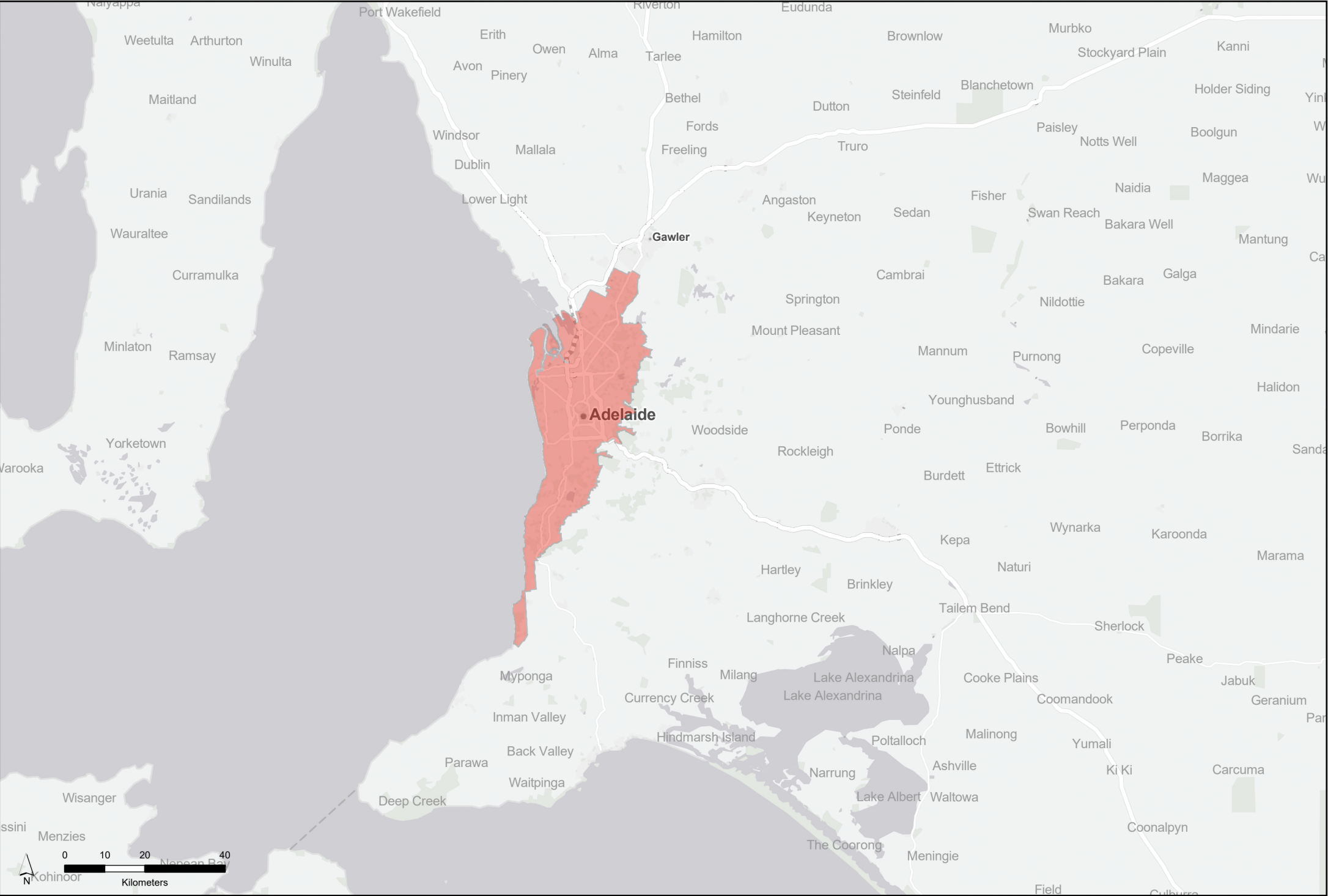
Mr Mackay: Certainly

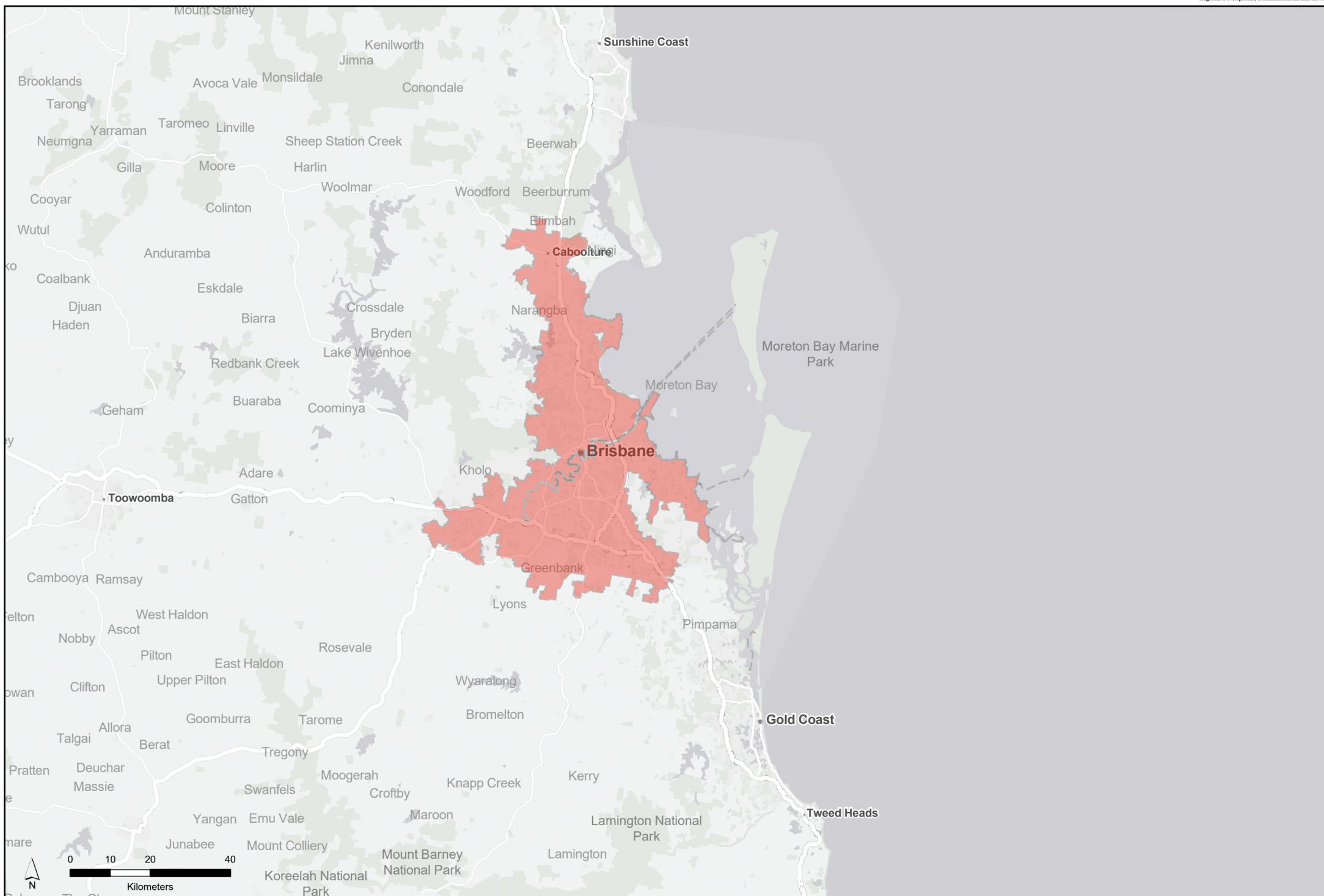
**Answer:**

The excluded areas for the purposes of the Regional Growth Fund Program are the Urban Centre and Locality (UCL) cities with over 1 million people for Sydney, Melbourne, Brisbane, Perth and Adelaide as defined by the Australian Bureau of Statistics' Australian Statistical Geography Standard. For the city of Canberra, the excluded area is only the part of the Canberra-Queanbeyan Significant Urban Area that is located within the Australian Capital Territory.

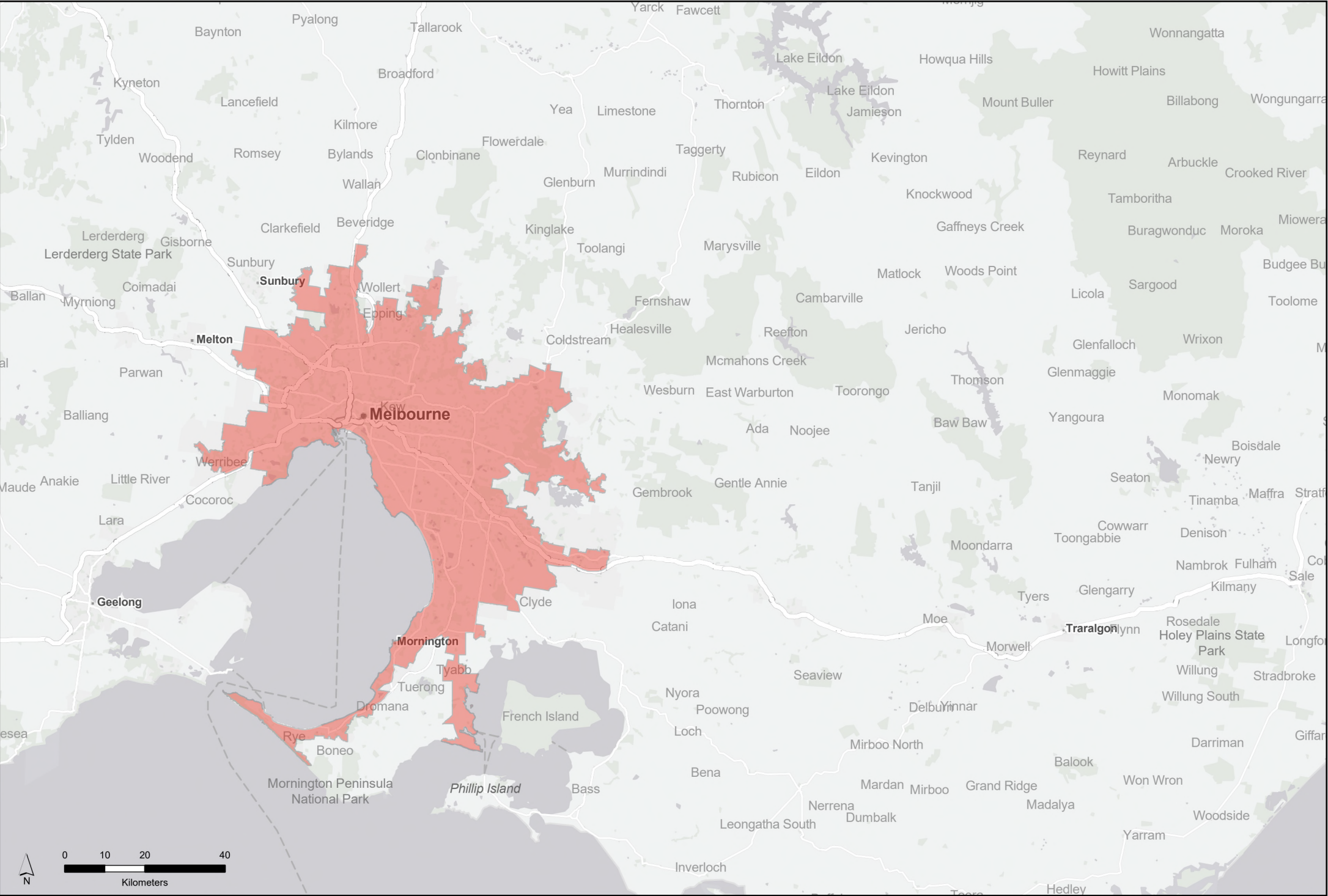
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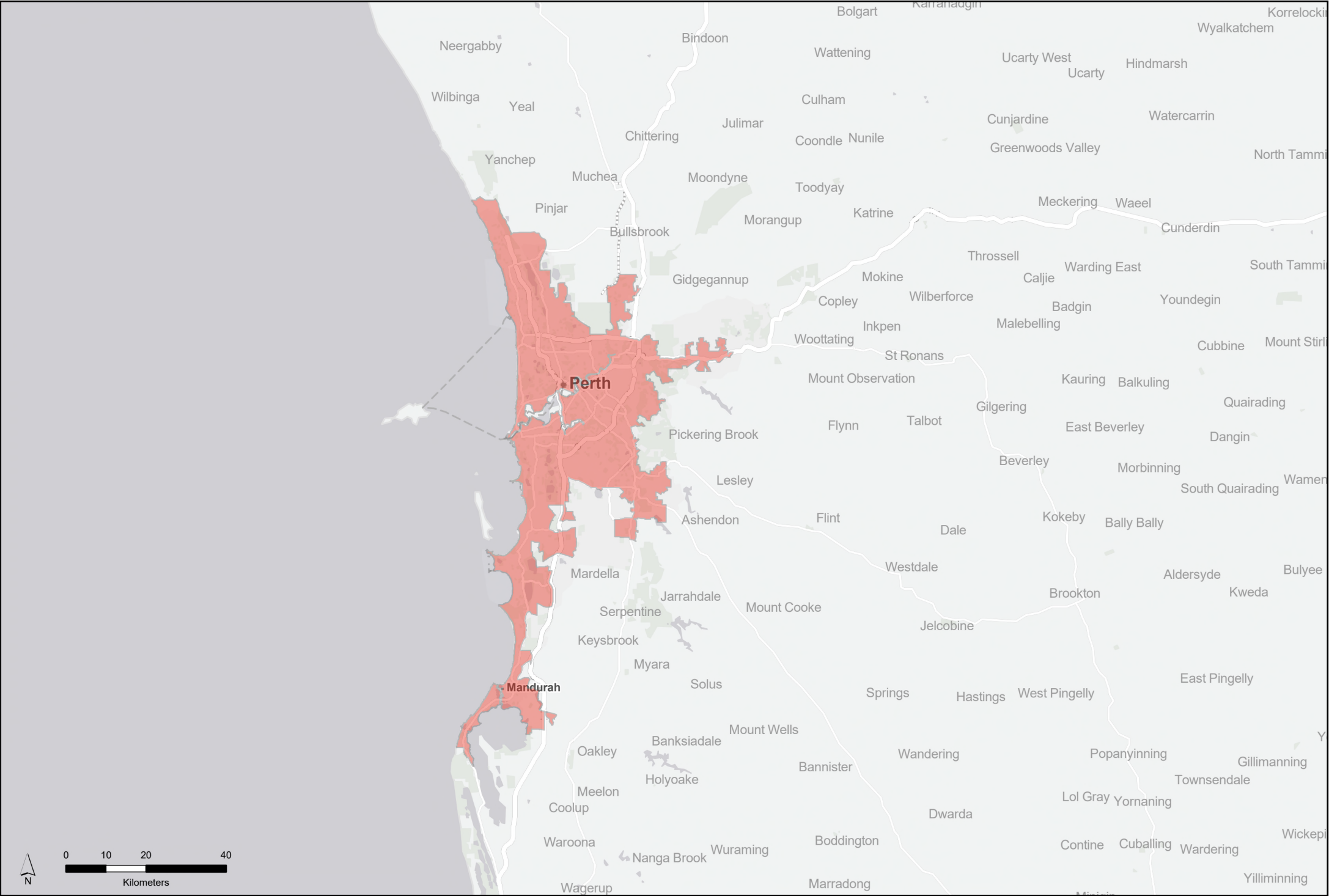
- RGF Map of Excluded Capital Cities



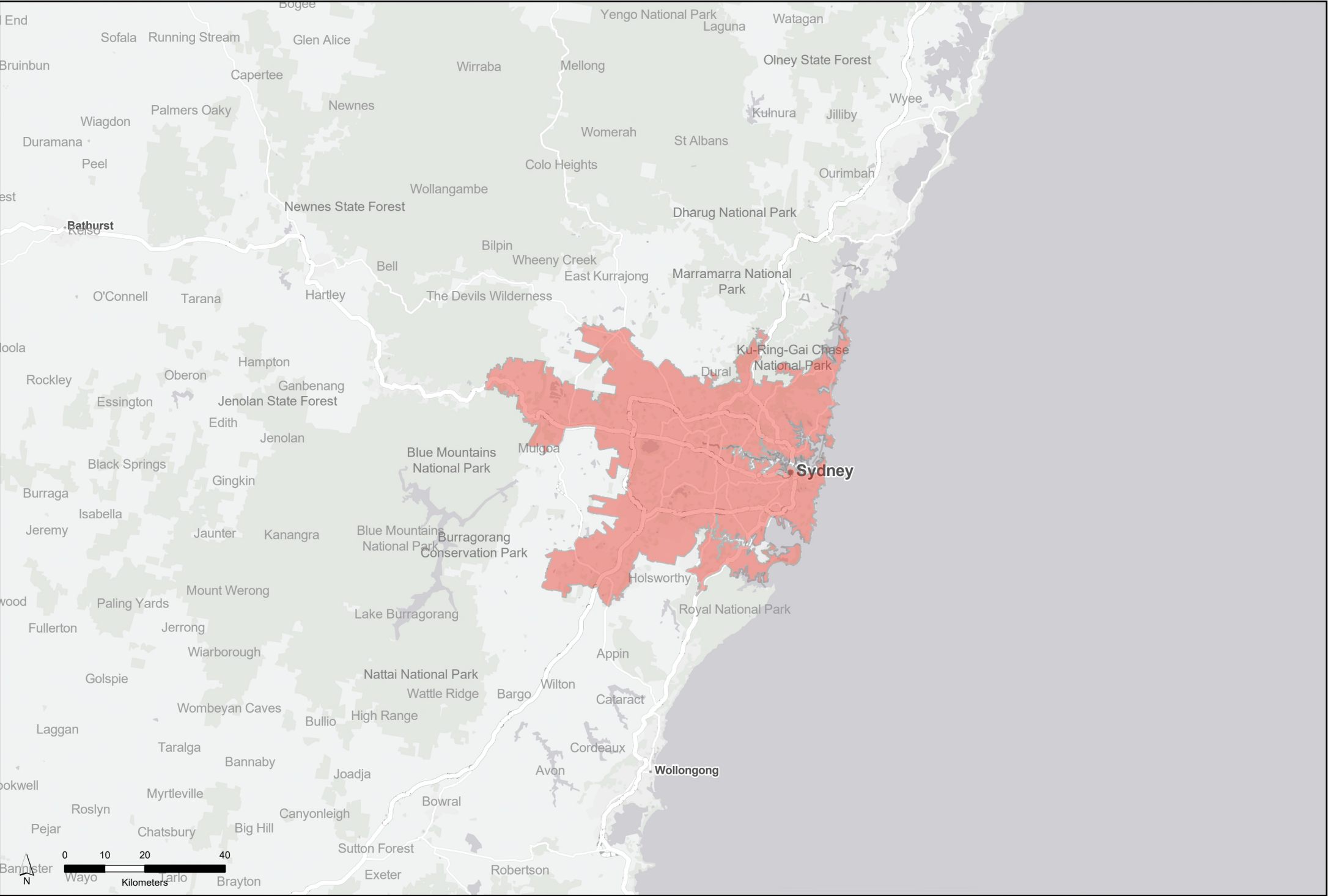


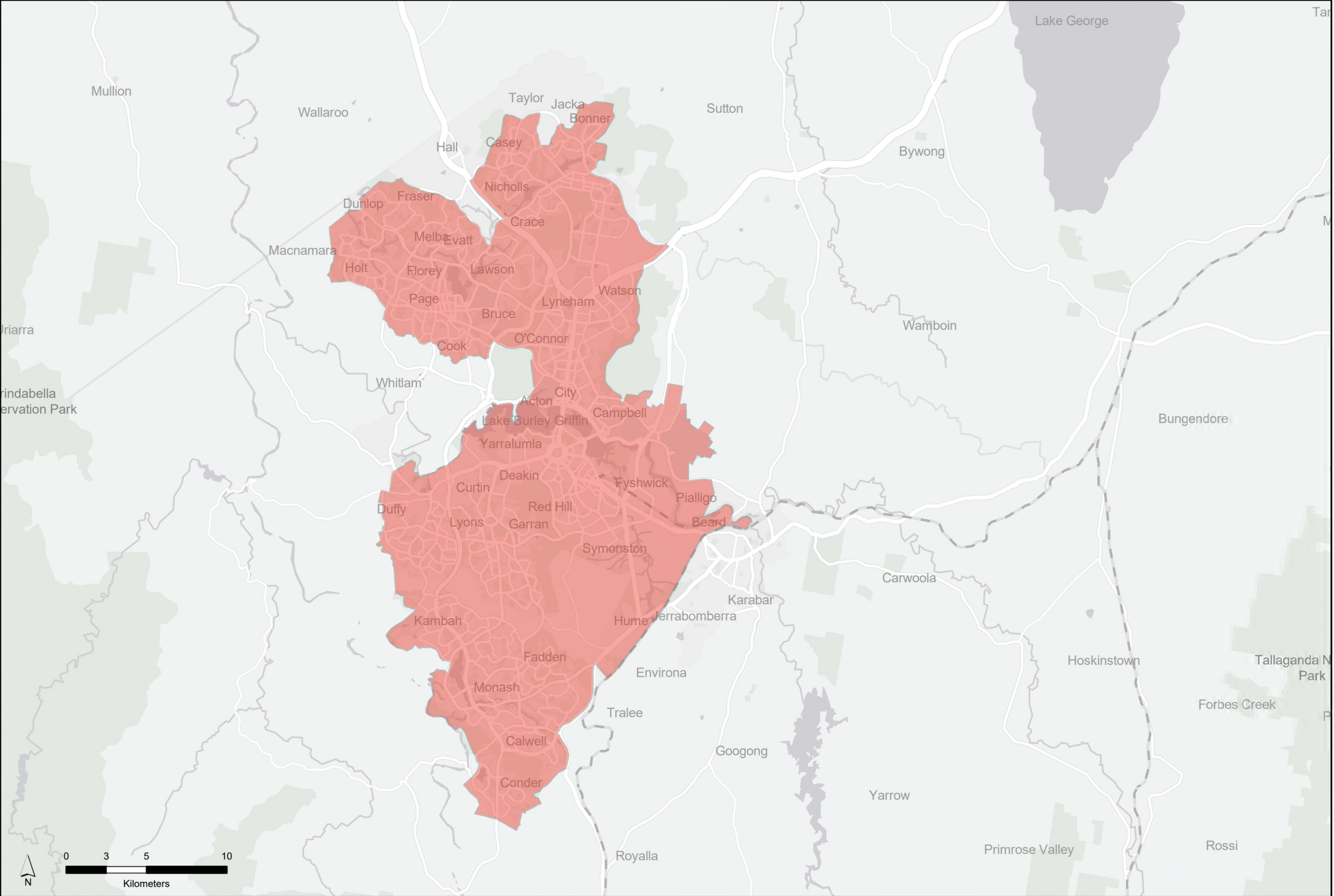












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**IQ23-000046**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Pages No. 12 and 13 (17 March 2023)

**Topic:** RGF - Mackay Cricket Association project

**Mr Julian Hill asked:**

CHAIR: I think the project objective, from your question on notice – and it was very helpful – says that the purpose of this program was to fund ‘major transformational projects to deliver long-term economic growth and create jobs in regions, including those undergoing structural adjustment’. Could you explain to us how the Harrup Park County Club sporting facilities achieve those objectives? What major, long-term economic growth is that project generating, and how does it contribute to the future of a region undergoing structural adjustment?

Mrs Nattey: Chair, can I just confirm that that was the 'Mackay Cricket Association project: construction of Harrup Park Country Club sporting facilities in South Mackay'?

CHAIR: Yes.

Mrs Nattey: We're just having a look for you.

Mrs Hibbert: I don't have that level of detail with me about that, but I can take that on notice

**Answer:**

As part of its initial application for funding under stage one of the Regional Growth Fund (RGF) program, the Mackay Cricket Association Incorporated advised the department that the development and expansion of Harrup Park Country Club sporting facilities in Mackay, Queensland is intended to create capacity to regularly attract and host major events that will create jobs and deliver significant economic benefit to the region.

Stage 1A of the development (the project), which received Australian Government funding through the RGF, will construct a new North Stand delivering new spectator, player and media amenities and will increase venue capacity, enabling the attraction and hosting of national and international marquee events. The stand is designed to allow for future expansion to the east side, as part of Stage 2 of the development.

Stage 1B of the development includes the addition of a roof over the seating to the west side of the new North Stand and a temporary gantry over the clubhouse.

Stage 2 would consist of refurbishments to the existing clubhouse and extensions to the east side of the North Stand constructed at Stage 1A.

According to the Mackay Cricket Association Incorporated, the key claimed benefits for this project consist of:

- Driving economic growth through attracting three State, National or Premiership events per year with 7,500 patrons (including 2,200 overnight visitors) adding \$6.1 million in game day and visitor expenditure for each major event. It will also generate \$43.21 million in total output, \$2.3 million in wages/salaries and add \$14.44 million to Gross Regional Product (GRP) during construction. The project will generate \$9.5 million in total output, a further \$2.3 million in wages/salaries per year, and \$4.4 million in GRP per year once complete. The project is also expected to produce a Net Present Value of \$65.35 million
- Contributing to employment diversification, job creation and training opportunities in the region
- Enhancing the liveability and appeal of the Mackay region for new residents, tourists and investors
- Generating opportunities for a number of businesses and sectors in the economy, including construction, tourism and events, accommodation and food services, transport, and retail trade.

Note that the information provided above in response to this question may include Commercial in Confidence restrictions and none of this information should be disclosed outside the Committee, or published more broadly.

There was no requirement under the RGF Guidelines for projects to contribute to the future of a region undergoing structural adjustment, and no claims were made in the Mackay Cricket Association Incorporated's RGF funding application that the development and expansion of Harrup Park Country Club sporting facilities in Mackay will contribute in this way.

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**IQ23-000047**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 13 (17 March 2023)

**Topic:** RGF - GrantConnect

**Mr Julian Hill MP asked:**

Mrs Nattey: Mrs Hibbert has talked about the preliminary approval process. Initial applications to the RGF opened on 2 March 2018. There was training of the assessors between March and April. The initial application round closed on 27 April. The consultation process commenced on 8 May, and then the eligibility assessment flowed from that.

Mr Mackay: By default, all grant opportunities are listed on—

Mrs Nattey: GrantConnect.

Mrs Hibbert: GrantConnect.

Mr Mackay: GrantConnect. Thank you. We could take on notice what additional communication activities we're undertaking.

CHAIR: Yes. I'm just curious: did the department write to all of the eligible regional councils? Most of these projects are really council sponsored, in one way or the other—not all. Did you write to RDAs?

Mrs Hibbert: I'll take that on notice.

CHAIR: Okay.

Mrs Nattey: What I can say is that GrantConnect allows for proponents to flag any future grant opportunities that meet certain criteria. If the local councils of whom you speak had registered, they would have received an automatic triggering of that grant opportunity opening.

CHAIR: Okay. That may be the answer, that we don't now habitually write to people with old-fashioned letters.

Mr Mackay: We'll take on notice whether there was any additional activity.

**Answer:**

On 2 March 2018, the former Minister for Regional Development, Territories and Local Government wrote to individual RDA Committees to advise them that applications for funding through the Regional Growth Fund program had opened, and to highlight that program guidelines encouraged applicants to contact their local RDA for assistance in developing their applications. On the same date, the former Minister also wrote to individual local governments identified as being eligible to apply for funding under the RGF program, to advise them applications for funding under the program had opened.

On 26 October 2018, the Department emailed all RDA Committee Chairs and Deputy Chairs to provide them with general advice about the outcome of Stage 1 of the assessment process, to provide an overview of Stage 2 of the process, and to thank them for the advice

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they were able to provide potential applicants of the RGF program, and other regional programs more broadly.

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**IQ23-000048**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 14 (17 March 2023)

**Topic:** RGF - Benefit-cost ratio

**Mr Julian Hill MP asked:**

CHAIR: The committee's been provided with the full business cases, which we've agreed not to publish because there are bits commercial stuff scattered through them. Much of the information there is not inherently confidential. We have agreed not to publish them or draw on them, but perhaps, so that we don't inadvertently publish something which you'd prefer we didn't, could you take it on notice and give us just a table identifying which ones had a benefit-cost ratio, and what that was, and which ones didn't? I don't think that would breach any commercial confidentiality.

Mr Mackay: I agree. We'll take that on notice.

**Answer:**

The Benefit-Cost Ratios (BCRs) outlined in the table below were identified through a search of the initial application documentation, and the full business case documentation, provided by Regional Growth Fund (RGF) applicants who were successful in securing funding under the program. As this information was contained in documents marked commercial-in-confidence, and given it does not include the underpinning assumptions on which the BCR was estimated, the information is provided for the use of the Committee as part of the evidence for their Inquiry into Grants Administration. On further consideration of the Committee's question, the Department requests the information not be publicly disclosed without the express consent of the Proponent.

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<b>Proponent</b>	<b>BCR</b>	<b>Relevant discount rate p.a.</b>	<b>Assessment stage</b>
Eurobodalla Shire Council	1.71	4%	Stage 1 – Initial Application
Honeycombes Property Group Pty Ltd	1.0435	21%	Stage 2 – Full Business Case
Rockhampton Regional Council	1.81:1	4%	Stage 1 – Initial Application
Shire of Murray	3.4	7%	Stage 1 – Initial Application Stage 2 – Full Business Case
Yarra Ranges Shire Council	4.35 2.46	4% 7%	Stage 1 – Initial Application
City of Busselton	2.12	4%	Stage 1 – Initial Application
	1.99	6%	
	1.46	3%	Stage 2 – Full Business Case
	1.22	7%	
Busselton Jetty Incorporated	2.7	4%	Stage 2 – Full Business Case
	2.2	7%	

The following search terms were used by the Department to identify BCRs in proponents RGF application documents:

- BCR
- Ratio
- Benefit.

Using these search terms, BCRs were not located for the following RGF project proponents:

<b>Proponent</b>
City of Mount Gambier
Northern Territory of Australia
City of Swan
Simplot Australia Pty Ltd
BBD Brewery Pty Ltd
Swan Hill Rural City Council
Mackay Cricket Association Inc
Norco Co-operative Limited
Rheinmetall Nioa Munitions Pty Ltd
Coffs Harbour City Council



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**IQ23-000049**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 12 (17 March 2023)

**Topic:** RGF - Top 45 projects and their scores

**Mr Julian Hill MP asked:**

CHAIR: Can you take that on notice: which were the top 45 and what were the scores, and then which of the others were value for money but not in the top 45 and the scores there.  
Mr Mackay: Certainly.

**Answer:**

The top 45 ranked initial applications for the Regional Growth Fund (RGF) program received a score between 40 and 50:

<b>Applicant Name</b>	<b>Project Name</b>
Armidale Regional Council	Construction of Armidale Regional Airport Runway, Armidale, NSW
BBD Brewery Pty Ltd	Construction of Bundaberg Brewed Drinks Super Brewery, Bundaberg, Qld
BRIP Pty Ltd	Construction of Bundaberg Regional Innovation Park, Kensington, Qld
Cairns Regional Council	Construction of Cairns Gallery Precinct, Cairns, Qld
City of Albany	Redevelopment of Albany-Kinjarling Connect 2026, Albany, WA
City of Busselton	Construction of the Busselton Entertainment Arts and Culture Hub (BEACH), Busselton, WA
City of Kalgoorlie-Boulder	Upgrade of City Centre Infrastructure, Kalgoorlie-Boulder, WA
City of Swan	Construction of a Highway from the Great Northern Highway to the NorthLink WA Project and Access to the South Bullsbrook Industrial Precinct and Bullsbrook Intermodal Freight Terminal, Bullsbrook, WA
Corangamite Shire Council	Construction of the Twelve Apostles Trail, Timboon, Vic
Department of Innovation, Tourism Industry Development and the Commonwealth Games	Development of the Wangetti Trail, Multiple Sites, Qld
Devonport City Council	Development of LIVING CITY Waterfront Precinct, Devonport, Tas
District Council of Franklin Harbour	Redevelopment of the Cowell Foreshore, Cowell, SA

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East Gippsland Shire Council	Construction and Upgrade of Common Use Areas and Reconstruction of Entrance and Sea walls, Lakes Entrance, Vic
Glamorgan Spring Bay Council	Construction of Spring Bay Harbour Expansion and Maria Island Ferry Terminal, Triabunna, Tas
Guanaba Experience Pty Ltd	Construction of the Guanaba Experience Adventure Tourism Park, Mt Tamborine, Qld
Honeycombes Property Group Pty Ltd	Construction of the Townsville Marine Tourism Precinct, Townsville, Qld
Indica Industries Pty Ltd	Construction of a Medicinal Cannabis Manufacturing Facility (MedReleaf), Lowood, Qld
Indigenous Wellbeing Centre Ltd (IWC)	Construction of Phase One of the Indigenous Wellbeing Centre (IWC) Wellbeing Park, Bundaberg, Qld
Keppel Bay Sailing Club Ltd	Construction of Keppel Bay Convention Centre, Tourism and Sporting Hub, Yeppoon, Qld
Mackay Marina Pty Ltd	Upgrade of Mackay Harbour Infrastructure, Mackay Harbour, Qld
MBD Industries Limited	Construction of the Guthalungra Integrated Aquaculture Project and Bowen Hatchery/Domestication Facility, Bowen, Qld
Monash Station Pty Ltd	Construction of Monash REWARD-Renewable Energy, Water, Agriculture, Regional Development, Monash, SA
Nannup Timber Processing Pty Ltd	Construction of Nannup Plywood Veneer Peeling Facility, Nannup, WA
Nioa Nominees PTY LTD T/F Bill Nioa Family Trust	Construction of Projectile Forging Plant, Benalla, Vic
	Construction of Projectile Forging Plant, Maryborough, Qld
Nora Creina Golf and Tourism Resort	Construction of Nora Creina Golf & Tourism Resort, Robe, SA
Northern Territory of Australia	Construction of Katherine Flood Mitigation and Headworks Project, Katherine, NT
Nyamba Buru Yawuru Ltd	Construction of Broome Health and Wellbeing Campus, Broome, WA
Proteco Gold Pty Ltd	Construction of Oil and Flour Processing Facility, Kingaroy, Qld
Rockhampton Regional Council	Construction of South Rockhampton Flood Levee, Port Curtis, Qld
Shire of Broome	Construction of Waste Management Infrastructure, Broome, WA
	Upgrade and Construction of Chinatown, Broome, WA
Shire of Kojonup	Construction and Upgrade Project: Kojonup SMART Future Regional Hub, Kojonup, WA
Shire of Murray	Construction of Peel Business Park and the Peel Agri-Innovation Precinct, Nambeelup, WA
Simplot Australia Pty Ltd	Upgrade of Potato Processing Facility, Ulverstone, Tas
Sunshine Coast Regional Council	Upgrade of Mooloolaba Access Project, Mooloolaba, Qld

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Tasmanian Department of State Growth	Expansion of Launceston Creative Precinct, Launceston, Tas
The Trustee (BE Campbell Pty Ltd) for B E Campbell Unit Trust	Construction of Riverina Abattoir, Temora, NSW
Toowoomba Regional Council	Construction of Toowoomba Railway Parklands Priority Development Area - Stage 2, Toowoomba, Qld
Twentieth Super Pace Nominees Pty Ltd	Construction of EastRail Intermodal Open Access Freight Infrastructure: Bromelton Qld, Parkes NSW, and Barnawartha Vic
Upper Hunter Shire Council	Upgrade of Scone Regional Airport, Scone, NSW
Whitsunday Regional Council	Construction of Whitsunday Marine Centre of Excellence, Bowen, Qld
Witmack Industrial	Construction of New Global Agrifood Innovation Centre, Toowoomba, Qld
Wollongong City Council	Construction and Upgrade of Cleveland Road, West Dapto, NSW
YanJian Group (Mackay) Pty Ltd	Construction of The Park Regis Hotel, Mackay, Qld

The remaining ranked initial applications which fully met all of the merit criteria and were assessed as being value with relevant money for the RGF program, received a score between 30 and 38:

Applicant Name	Project Name
AAM Investment Group Pty Ltd	Construction of One New and Expansion of Six Livestock Saleyards, Multiple Locations, Qld, NSW and Vic.
AKD Queensland Pty Ltd	Expansion of AKD Caboolture Sawmill Site, Caboolture, Qld
Alice Springs Airport Pty Ltd	Upgrade of Alice Springs Airport, Alice Springs, NT
Aqua Partners Australia Pty Ltd	Construction of Avalon RAS2020 Aquaculture Precinct, Avalon, Vic
Australian Floating Decks Pty Ltd	Construction of Floating Deck/Pontoon, Exmouth, WA
BAE Systems Australia Limited	Construction of Australian Joint Strike Fighter (F-35) Sustainment Hub, Williamstown, NSW
Ballarat City Council	Upgrade of Her Majesty's Theatre, Ballarat, Vic
Ballarat Turf Club Inc	Construction of Ballarat Thoroughbred Training Centre of Excellence, Ballarat, Vic
Balonne Shire Council	Construction of Wild Dog Exclusion Fencing to Protect Sheep Industry, Balonne and Maranoa, Qld
Bathurst Regional Council	Construction of Second Circuit at Mount Panorama, Bathurst, NSW
Becker Helicopter Services Pty Ltd	Construction of Whyalla Aviation College, Training and Engineering Centre of Excellence, Whyalla, SA

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Bega Valley Shire Council	Construction of Eden's Snug Cove Foreshore Precinct, Eden, NSW
Big Pineapple Corp Pty Ltd	Upgrade of the Big Pineapple, and associated Road and Civil Infrastructure, Woombye, Qld
Bowen Pipeline Company Pty Ltd	Construction of the Bowen Pipeline from Burdekin Falls Dam to Bowen, Qld
Bundaberg Friendly Society Medical Institute Limited	Construction and Expansion of the Friendly Society Private Hospital, Bundaberg, Qld
Bundanon Trust	Construction of the Arthur Boyd Gallery, Illaroo, NSW
Busselton Jetty Incorporated	Construction of Australian Underwater Discovery Centre, Busselton, WA
Casey City Council	Construction of a Regional Soccer Centre of Excellence, Cranbourne East, Vic
	Construction of Regional Equestrian Facility, Tooradin, Vic
Central Coast Council	Construction of Central Coast Renewable Energy Generation Facility, Kincumber, NSW
	Construction of Mardi to Warnervale Pipeline Project, Mardi, NSW
Charles Darwin University	Construction of Alice Springs National Pilot Academy, Alice Springs, NT
City of Greater Geelong	Construction of the Northern ARC (Arts, Recreation, Community) Health and Wellbeing Hub, Norlane, Vic
City of Karratha	Construction of Dampier Marina & Foreshore Development, Dampier, WA
City of Mount Gambier	Construction of Mount Gambier Regional Sport and Recreation Centre, Mount Gambier, SA
City of Playford	Construction of Greater Edinburgh Parks - GEP - Stormwater Trunk Outfall, St Kilda, SA
Cobar Shire Council	Construction of The Great Cobar Heritage Centre, Cobar, NSW
Coffs Harbour City Council	Construction of Coffs Harbour Airport Enterprise Park, Coffs Harbour, NSW
D.L. & M.A. LESLIE PTY LTD	Construction of the Loddon Mallee Intermodal Freight and Export Hub, Irymple, Vic
Deakin University	Construction of Geelong Future Economy Precinct Infrastructure, Waurn Ponds, Vic
Department of Biodiversity Conservation and Attractions (Western Australia State Government)	Construction of Collie and Dwellingup Tourism and Trails Initiative (CDTTI), Collie and Dwellingup, WA
ElectraNet Pty Ltd	Construction of Electricity Transmission Connecting Saltbush Hill, Mount Gunson South and Prominent Hill, SA
Eurobodalla Shire Council	Construction of Regional Aquatic, Arts and Leisure Precinct, Mackay Park, Batemans Bay, NSW

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Free Eyre Limited (FEL)	Construction of Port Spencer Deep Sea Wharf, Eyre Peninsula, SA
Gold Coast Airport Pty Ltd	Construction and Upgrade of Infrastructure at the Gold Coast Airport, Bilinga, Qld
Greater Shepparton City Council	Construction of Shepparton Sports and Events Centre Upgrade, Shepparton, Vic
Griffith University	Construction of the Advanced Design and Prototype Technologies Institute (ADaPT), Southport, Qld
Halikos Developments Pty Ltd	Construction of Infrastructure for the Northcrest Community, Berrimah, NT
Interlink Pty Ltd	Construction of InterlinkSQ Inland Port and Rail Port Shuttle, Charlton, Qld
Ipswich City Council	Construction of Springfield AFL Stadium, Ipswich, Qld
Kimberley Marine Support Base Pty Ltd	Construction of a Marine Support Base, Kimberley, WA
La Trobe University	Construction and Extension of Facilities at La Trobe University, Shepparton, Vic
Lake Macquarie City Council	Construction of Lake Macquarie's Northwest Catalyst Area Package of Works, Glendale, NSW
Landbridge Infrastructure Australia Pty Ltd	Upgrade and Expansion of Fort Hill Wharf and Cruise Terminal, Darwin, NT
Launceston City Council	Construction and Upgrade of the Launceston City Heart Project - Stage Two, Launceston, Tas
LINX Logistics Pty Ltd	Construction of Central Queensland Intermodal Terminal (CQIT), Yamala, Qld
Mackay Canegrowers Limited	Development of Sustainable Sugar Industry Infrastructure, Mackay, Qld
Mackay Cricket Association	Construction of Harrup Park Country Club Sporting Facilities, South Mackay, Qld
Margaret River Winery Pty Ltd	Construction of Carburnup River Epicurean, Agribusiness and Tourism Enterprise (CREATE) Village, Carburnup River, WA
Meander Valley Council	Construction of Bioenergy Hub at the Valley Central Industrial Precinct, Westbury, Tas
Melton City Council	Upgrade of the MacPherson Park Multi-Purpose Sporting Facility, Harkness, Vic
Mid West Development Commission	Construction of a Tourism Precinct for the Abrolhos Islands, Geraldton, WA
Mildura Rural City Council	Construction of a Motorsports and Community Precinct and Regional Sporting Precinct, Mildura, Vic
MILP Pty Ltd	Construction of the Monarto Rail Intermodal Terminal Stage 2A, Monarto South, SA
Mount Barker District Council	Construction and Upgrade of Wastewater and Recycled Water Infrastructure, Mount Barker, SA
Naracoorte Lucindale Council	Construction of a Commercial Hub and Community Centre, and Road Upgrades, Naracoorte, SA

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New Aged Projects No. 2 Pty Ltd	Construction of an Integrated Health Hub, Muswellbrook, NSW
Norco Co-operative Limited	Upgrade and Expansion of Norco Co-operative Ice Cream Business Unit, South Lismore, NSW.
Northern Territory of Australia	Construction of Berrimah North Infrastructure Development Plan (BNIP), Berrimah, NT
	Construction of the National Aboriginal Art Gallery in Alice Springs, NT
Norske Skog Industries Australia Ltd	Construction of Norske Skog Albury Mill Biomass to Energy Project (AB2E), Ettamogah, NSW
Ord River District Co-Operative (ORDCO) Limited	Construction of logistics, processing and packaging facilities in Kununurra and Wyndham, WA
Peninsula Hot Springs Pty Ltd	Construction of Metung Hot Springs, Metung, Vic
Peninsula Searoad Transport Pty Ltd	Construction of New Ferry Terminals and Associated Infrastructure, Queenscliff and Sorrento, Vic
Peregrine Corporation Pty Ltd	Construction of the Bend Motorsport Park Caravan & Camping Village & Drag Racing Precinct, Tailem Bend, SA
PFG-Group Pty Ltd	Construction of the Rock Lobster Hatchery and Grow Facility, Taroom, Tas
PJFM No 1 Pty Ltd	Construction of Mushroom and Tourism Facility, Lakeland, Qld
Project Sea Dragon Pty Ltd	Construction of Bynoe Harbour Aquaculture Project (BHAP), Bynoe Harbour, NT
Queanbeyan-Palerang Regional Council	Construction of the South Jerrabomberra Business Park and Innovation Hub, Jerrabomberra, NSW
Redland City Council	Construction of Redland Aquatic Centre and Surf Life Saving Queensland Headquarters, Cleveland, Qld
Reever and Ocean Developments Pty Ltd	Construction of Road, Service and Utility Infrastructure for KUR-World Stage 1, Kuranda, Qld
Rise and Shine Investments Pty Ltd	Construction of Briskwater Multi-User Intermodal Development, Bowen, Qld
Rockhampton Regional Council	Construction of New Rockhampton Art Gallery, Rockhampton, Qld
Rocky Point Pty Ltd	Construction of a Waste to Resource Processing Plant, Woongoolba, Qld
Rocland Estates Pty Ltd	Construction of Barossa Wine and Freight Export Hub, Nuriootpa, SA
RSL Services and Citizens Club Nambour Inc.	Construction of Sippy Downs Community Club, Sippy Downs, Qld
Scotbar Pty Ltd	Construction of Sand Production Plant, Helidon, Qld
Shire of Northam	Construction of the Avon Logistics Hub and Upgrade to the Northam CBD, Northam, WA
Snowy Monaro Regional Council	Construction of Cooma Regional Sports Facility, Cooma, NSW

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South Eastern Water Conservation and Drainage Board	Upgrade of the South East Drainage Network Bridges, Multiple Sites, SA
Stanbroke Pty Ltd	Construction of Stanbroke Beef's Vertical Integration Project (VIP) - Grantham and Greenswamp, Qld
Stockland Development Pty Ltd	Construction of Aura Civic Centre and Aquatic Facility, Bells Creek, Qld
Sunshine Coast Regional Council	Construction of Sunshine Coast International Broadband Network, Maroochydore, Qld
	Construction of the Sunshine Coast Exhibition and Convention Facility, Maroochydore, Qld
Swan Hill Rural City Council	Construction of Foreshore Redevelopment and Upgrade of Public Use Areas in Northern Victoria, Vic
Tersum Energy Pty Ltd	Construction of Community Energy Infrastructure, Geraldton, WA
The Barossa Council	Upgrade of Barossa Region Sporting and Recreational Infrastructure and Château Tanunda Accommodation, and Event Facility Expansion and Refurbishment, Multiple Sites, SA
The Salvation Army (QLD) Property Trust	Construction of 80 Bed Aged Care Home, Jimboomba, Qld
The Trustee (Felhope Pty Ltd ) for The Freebody Family Trust	Construction of Adventure Waters Water Park, Cairns, Qld
The Trustee (IB & WL Mortlock Holdings Pty Ltd) for Mortlock Trading Trust	Construction of Gasification Plant, Glasshouse, Packing Plant, Accommodation and After School Care Facility, Carisbrook, Vic
The Trustee (Sunshine Coast Airport Pty Ltd) for Sunshine Coast Airport Trust	Expansion of Sunshine Coast Airport International Terminal, Marcoola, Qld
The University of New England	Upgrade of Boiler House and Kirby SMART Farm, Armidale, NSW
Tonkin Consulting Pty Ltd	Construction of "Agrisano" Lockyer Valley Innovative Agribusiness Ecosystem, Flagstone Creek, Qld
University of Southern Queensland	Construction of the Technology and Agribusiness Catalyst and Business Re-Engineering Hub Facility, Toowoomba, Qld
Victorian Natural Fertilizer Group Pty Ltd	Construction of the Loddon Natural Fertilizer Project (NFP), Fiery Flat, Vic
Wagner Corporation Pty Ltd	Construction of Wellcamp Flight Academy, Toowoomba, Qld
Wannon Regional Water Corporation	Expansion of Sewerage and Wastewater Treatment Plant, Warrnambool, Vic
Whitsunday Regional Council	Construction of Sewerage Treatment Plant Stage 2B, Bowen, Qld
William Angliss Institute of TAFE	Construction of the Institute of Good Food/Gastronomy, Daylesford, Vic

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Yandilla Oil Ltd	Construction of Yandilla Plant Extract Hub, Narromine, NSW
Yarra Ranges Shire Council	Construction of Rivers and Ridges Yarra Ranges Trails, Yarra Ranges, Vic
Yumbah Aquaculture Ltd	Construction of Yumbah Nyamat Aquaculture Park Stage One, Bolwarra & Portland, Vic
YW8 Pty Ltd	Construction of the Australian Global Wine Services, Southern Supply Chain Innovation and Export Distribution Hub, Osborne, SA



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**IQ23-000050**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 15 (17 March 2023)

**Topic:** RGF - Retrospective analysis on the applications

**Mr Julian Hill MP asked:**

CHAIR: We'll have a look at that list. I'm just curious: there was only one round to this, so maybe it's not as directly relevant as some. I'm thinking the Safer Communities Fund, which was not yours, but one of the audit lessons there was that as the department progressed through multiple rounds it was apparent that there was a significant underrepresentation of applications from Muslim, Sikh, Hindu communities and there was a significant overrepresentation from Christian and Jewish communities; yet the department and the minister did nothing to explore why that was the case, given that over multiple rounds the outcomes were not really according with the intent of the program. I've run grant programs before in the regional space—I think we might have talked about this before—one of the common problems that emerges is that larger or wealthier councils that can pay good grants applicants tend to dominate because they put in better developed applications, but on reflection they may not accord with a more helicopter view of where need is. You look at it and say 'That's not really a fair spread.' Did the department do any retrospective analysis of whether it got a representative suite of applications or whether there were parts of the country or regions that just didn't apply?

Mr Mackay: We could take on notice whether—

CHAIR: It's probably a hard question for a single-round program.

Mr Mackay: That was the caveat I was going to put on it. I'm very happy to take on notice whether that was done. I'm certainly not aware of it having been done. I suspect, in a sense, we've answered the question in this conversation because it was a single round. I would also make the broader comment that those findings, those observations, are ones that we are very conscious of. As I think we discussed last time, we're in the process of developing a number of new programs reflecting decisions taken in the October budget and we are looking very carefully at all of those recommendations as part of that work.

**Answer:**

In preparing assessment recommendations for the Regional Growth Fund Ministerial Panel (the Panel), the department undertook detailed analysis of Initial Applications received by state, organisation type and category. This information included:

- The number and percentage of eligible applications received by:
  - State / Territory;
  - Remoteness Classification
  - Applicant Type
  - Primary Project Category

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- The total amount of Australian Government funding sought, and the percentage of Australian Government funding sought, by State / Territory:
  - State / Territory;
  - Remoteness Classification
  - Applicant Type
  - Primary Project Category
  
- The total project cost and the percentage of the total project cost, by State / Territory;
  - State / Territory;
  - Remoteness Classification
  - Applicant Type
  - Primary Project Category

The department also provided the Panel with information about Australian Government Regional Programs Funding Committed since 2013/4 by Local Government Area.

The department has not located evidence that would indicate it conducted retrospective analysis of whether a representative suite of applications for the Regional Growth Fund program was received across a geographical and/or cultural spread of applicants.

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**IQ23-000051**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 16-17 (17 March 2023)

**Topic:** RGF - Feedback about a lack of confidence in the allocation processes by the department

**Mr Julian Hill MP asked:**

CHAIR: I fully expect, respect and understand that, and it wouldn't have been in there. It's a difficult issue for you though, if you're looking in the rear-view mirror, that there is clear evidence from councils and stakeholders—I've heard it from my councils. I represent the most disadvantaged community in Melbourne, and we got nothing for 10 years. We didn't get any sports rorts grants, we got no commuter car parks, nothing, and yet the marginal seat just up the road got hundreds of millions of dollars. People in local communities see the inequity. They get angry about the inequity. Their kids sports clubs lose members to down the road because they say, 'We've got old facilities and they've got jacuzzies and electronic scoreboards.' Has the department, to your knowledge, had feedback about a lack of confidence in the allocation processes in these programs? We've got this evidence; I'm curious if people have given you that feedback.

Mr Mackay: We'd be very happy to check that on notice for you, Chair. It's a difficult question for us to answer on the spot. I'd appreciate the opportunity to check our records.

CHAIR: Sure. One of the things I would hope all members of the committee would want to do is to see improved community confidence given some of these pretty critical audit reports. You'll never satisfy the Audit Office at everything because people are human and they make mistakes, and I've said repeatedly I don't agree with some of the doctrinaire views that are put that ministers have no role, but we do have evidence here that there's a lack of confidence when you look at outcomes like we've seen.

Mr Mackay: We're very happy to check that on notice

**Answer:**

The Regional Growth Fund program was heavily subscribed and highly competitive, with 337 Initial Applications received by the Department, requesting approximately \$5.9 billion in Australian Government funding. All applications were assessed against the eligibility criteria, and only those applications that satisfied all eligibility criteria were considered to proceed to Merit assessment.

Applicants were advised of the outcome of their Initial Application on 21 October 2018 and offered feedback. Two feedback officers provided feedback to applicants who requested it, including successful, unsuccessful and ineligible applicants, and the feedback sessions were conducted over a 12 week period from 5 November 2018 to 25 January 2019. A total of 135 applicants requested, and were provided with, feedback.

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Approximately 60 per cent of applicants who received feedback noted that it was beneficial for future applications, and appreciated the fact that a staff member who was involved in the eligibility and merit assessment process provided the feedback. These comments were made by mostly private-sector entities and local government authorities.

Approximately 16 per cent of applicants who received feedback indicated they believed the Initial Application process was an Expression of Interest (EOI), and for this reason didn't include as much information in their initial application as they would have otherwise. They considered that the guidelines and advertisement of the round and the two stages were misleading. These comments were mostly made by private-sector entities, which may not have had the same exposure to grants as local or state/territory governments.

About 25 per cent of applicants who received feedback requested specific reasons why the Ministerial Panel did not select their project to proceed to the Full Business Case (FBC) stage and/or why the Panel selected the successful projects. They considered that, for transparency reasons, all applicants should be advised of this information. A small number of applicants stated their view that the 16 selected to the FBC stage were not transformational, and questioned how they met the merit criteria.

While there may have been instances where feedback was provided in relation to the allocation processes for the Regional Growth Fund, the Department has not been able to locate any further documentation in relation to this.

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**IQ23-000052**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 17-18 (17 March 2023)

**Topic:** RGF - Record kept for choosing eligible projects by the ministerial panel

**Mr Julian Hill MP asked:**

CHAIR: This is my very final question. I have just interpreted my own scribble here. You put a bunch of eligible projects in to the ministerial panel and then a set of answers was spat out. What records were kept of the reasons for which the ministerial panel chose nine of the priority 1s and seven from the much lower set of priorities? What reasons were recorded for the individual decisions?

Mrs Hibbert: Each project had its own template and its own unique reason. I have an example of one, which is: 'This project represented a unique opportunity to build local engagement and community health outcomes. Importantly, the reason this project is in is it does not duplicate existing infrastructure.' Those are the kinds of reasons. I note that there was a one-page document called 'A review of the department's recommendation template' and it was completed for each of the ones that were chosen.

CHAIR: Are they cabinet documents?

Mrs Hibbert: It did form part of the advice to cabinet.

CHAIR: So the fact that you've just read from one puts me in a slightly awkward position because—

Mrs Hibbert: An extract from them, yes.

CHAIR: I'd be interested to see the depth of the reasons that were recorded without requiring the rest of the document. Can you take on notice to provide us with just the extracts in terms of the records of decisions that were made?

Mr Mackay: We'll take that on notice

**Answer:**

Subsection 4.10b of the Commonwealth Grants Rules and Guidelines (CGRGs) requires that where the proposed expenditure of relevant money relates to a grant, the Minister who approves it *must* also record, in writing, the basis for the approval relative to the grant guidelines and key principles of achieving value with relevant money.

For the purposes of the Regional Growth Fund (RGF), where the Ministerial Panel selected projects recommended to be brought forward to Full Business Case (Stage 2 of the assessment process) from the top 45 ranked Initial Applications as recommended by the Department, the documentation provided in the summary ranking report and the individual assessment snapshots was sufficient to satisfy this requirement.

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Where the Ministerial Panel selected a project to be brought forward to Full Business Case outside the Department's recommendations, the Chair recorded the basis for the decision.

Types of reasons included that the project:

- has attracted significant co-funding
- will create broad regional impact and benefits
- is a priority for all three levels of government
- builds on the regional sustainability and amenity of communities
- will boost specific sectors in the regions
- supports jobs and economic stimulus
- supports community engagement and allows for greater community participation
- supports local economic growth in areas which suffer from above average unemployment.

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**IQ23-000053**

**Division/Agency:** DIV - Regional Development and Local Government

**Hansard Reference:** Spoken, Page No. 18 (17 March 2023)

**Topic:** RGF - How many projects decision funding from state governments

**Senator the Hon. Matthew Canavan asked:**

Senator CANAVAN: I thank the officials. How many of the projects that were selected or funded also received or successfully had at the time of the decision funding from state governments?

CHAIR: That's a good question.

Mrs Hibbert: I'll just see if I have that detail. I won't be a moment.

CHAIR: Sorry, all of your questions are good, Senator Canavan. I won't run a commentariat.

Mrs Hibbert: I don't have that level of detail with me, I'm sorry. However, I can take that on notice. What I can say is that all of the projects were required to have co-funding. That's all I can say. So there were no projects that were solely funded by us.

Senator CANAVAN: Of the 17, I've got 13 of them here that I've identified that had state government funding. You don't have that in front of you?

Mr Mackay: We can take that on notice

**Answer:**

The 17 successful proponents under the Regional Growth Fund program met the co-funding requirements set out in the published program guidelines, with co-funding provided by local government, state or territory governments, not for profit organisations, private sector companies, individuals, the Aboriginal Benefits Account and/or the proponent themselves. Of these, eight proponents had successfully secured funding from state government at the time their applications for funding under the Regional Growth Fund (RGF) was approved. Four proponents successfully received funding from state government after their RGF project was approved.

Please refer to the table on the next page.

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<b>Project ID</b>	<b>Proponent</b>	<b>State Government funding confirmed before RGF grant approved</b>	<b>State Government funding confirmed after RGF grant approved</b>
RGF0000071	Rockhampton Regional Council	Y	
RGF0000165	Rheinmetall Nioa Munitions Pty Ltd	Y	
RGF0000475	Shire of Murray	Y	
RGF0000382	Honeycombes Property Group Pty Ltd		Y
RGF0000500	Northern Territory of Australia	Y	
RGF0000138	Yarra Ranges Shire Council	Y	
RGF0000223	Eurobodalla Shire Council	Y	
RGF0000356	City of Mount Gambier	Y	
RGF0000277	Swan Hill Rural City Council	Y	
RGF0000268	Mackay Cricket Association Inc		Y
RGF0000254	Busselton Jetty Incorporated		Y
RGF0000301	Coffs Harbour City Council		Y