
The Parliament of the Commonwealth of Australia

Funding regional and local community infrastructure

**Principles for the development of a regional and local community
infrastructure funding program**

Final Report

House of Representatives

Standing Committee on Infrastructure Transport Regional Development and
Local Government

June 2009
Canberra

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Foreword

In the period between the Committee's interim report and its final report, infrastructure spending has continued to be a cornerstone of the Government's agenda and a vital response to the global financial crisis (GFC). This Committee supports continued investment in the nation's infrastructure, in times of crisis, recovery and growth, but it is particularly interested in ensuring that regional Australia continues to see investment in community infrastructure by the Commonwealth Government.

Substantial funds have begun to flow from Federal to Local Government through the Regional and Local Community Infrastructure Program (RLCIP), resulting in increased community infrastructure building activities in the regions; however, the Committee encourages the Commonwealth Government in this report to develop and maintain an ongoing funding program for regional and local community infrastructure. In doing so, the Committee also flags the importance of ensuring that non-profit organisations receive funding through such a program.

This report does not revisit each one of the interim report recommendations in detail. Rather, it places the Committee's previous recommendations within the context of some overarching principles which the Committee believes are fundamental to the development of any new regional and local community infrastructure funding program. These principles have been grouped under three headings: availability, accessibility and accountability.

Availability refers to a set of program guidelines which clearly establish what types of projects will be funded, who is eligible for funding and how the funds will be distributed. The principle of accessibility focuses on developing a simple, streamlined application process supported by application development assistance. Accountability stresses the importance of ensuring that decisions made throughout the funding process are well documented and can be adequately explained.

Three of the five recommendations in this report are focused on these principles. The Committee recommends that the Government consider the need for clarity and simplicity when structuring program guidelines that address an application's eligibility and the manner in which an application will be assessed and funds awarded. It recommends the creation of an accessible program which provides useful information through multiple sources and an application process which stresses personal support for the applicant. The Committee concludes with a recommendation supporting increased program accountability through the employment of a centralised assessment process administered with appropriate resources. This would be supplemented by an acquittal process which utilises well-structured funding agreements, where expenditure is based on a thorough examination of project milestones.

The speed in which the GFC hit Australia also impacted this Committee's deliberations into the development of regional infrastructure funding programs. As such, the Committee issued an interim report with specific recommendations intended to assist the Government as it responded to the crisis. The final report has afforded the Committee the opportunity to reflect further on the evidence it received during this inquiry and make some recommendations of a general and principled nature. When considered together, the Committee expects that both reports will assist the Government to develop an on-going regional infrastructure funding program that meets the needs and expectations of the regions.

Once again, I would like to thank all those who participated in this inquiry. The level of participation and assistance provided to this Committee by regional Australia has been exceptional.

Ms Catherine King MP
Chair



Membership of the Committee

Chair Ms Catherine King MP

Deputy Chair Mr Paul Neville MP

Members	Mr Tony Windsor MP (from 28/05/08)	Mr Darren Cheeseman MP
	Ms Jodie Campbell MP	Mr Jon Sullivan MP
	Mr Jason Clare MP	Hon Dr Sharman Stone MP (until 10/11/08)
	Mrs Sophie Mirabella MP (until 10/11/08)	Mrs Joanna Gash MP
	Mr Brett Raguse MP	Hon Andrew Robb AO, MP (from 10/11/08)
	Mr Don Randall MP (from 10/11/08)	

Committee Secretariat

Secretary Mr Peter Keele

Inquiry Secretary Mr Michael Crawford

Administrative Officer Ms Kane Moir



Terms of reference

The Committee is to report on the Australian National Audit Office's Performance Audit of the Regional Partnerships Program and make recommendations on ways to invest funding in genuine regional economic development and community infrastructure with the aim of enhancing the sustainability and livability of Australia's regions.

The Committee's report is to:

1. Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects;
2. Examine ways to minimise administrative costs and duplication for taxpayers;
3. Examine the former government's practices and grants outlined in the Australian National Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs; and
4. 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 funding of regional programs.



List of abbreviations

ACC	Area Consultative Committee
ANAO	Australian National Audit Office
BCF-CC	Building Canada Fund – Communities Component
CIF	Community Infrastructure Fund
DITRDLG	Department of Infrastructure, Transport, Regional Development and Local Government
EDA	Economic Development Administration
EOI	Expression of Interest
FMA	<i>Financial Management and Accountability Regulations 1997</i>
GFC	Global Financial Crisis
RDA	Regional Development Australia
RLCIP	Regional and Local Community Infrastructure Program
RPP	Regional Partnerships Programme
UK	United Kingdom
US	United States



List of recommendations

Recommendation 1

The Committee recommends that the Government replace the Regional Partnerships Programme with a new program designed to provide ongoing funding support for regional and local community infrastructure.

Recommendation 2

The Committee recommends that the Government examine RLCIP applications received from local government and quantify the amount of funding which is being allocated to non-profit organisations.

Recommendation 3

The Committee recommends that the Government, in establishing a new regional infrastructure funding program, consider the need for clarity and simplicity when structuring guidelines that address an application's eligibility and the manner in which it will be assessed and funds awarded.

Recommendation 4

The Committee recommends that the Government, in establishing a new regional infrastructure funding program, considers the needs of program applicants and ensures that the program is accessible by providing useful information through a variety of sources and access to an application development process which places an emphasis on personal support provided by knowledgeable staff.

Recommendation 5

The Committee recommends that the Government, in establishing a new regional infrastructure funding program, ensure that in addition to changes which have already occurred, a new funding program should employ:

- a centralised assessment process administered with the appropriate resources; and
- an acquittal process utilising well-structured funding agreements, where expenditure is based on a thorough examination of each milestone.

Funding regional and local community infrastructure

Introduction

- 1.1 On the 5 November 2008, the House Standing Committee on Infrastructure, Transport, Regional Development and Local Government tabled an interim report on its inquiry into a New Regional Development Funding Program.
- 1.2 The Committee's decision to issue an interim report for this inquiry stemmed from the Government's decision to accelerate its nation building agenda in response to the global financial crisis (GFC) which occurred in 2008.
- 1.3 It was the Committee's intention that the recommendations of the interim report would help inform government decision making as it considered the manner in which it would distribute funds for regional infrastructure projects.
- 1.4 Thirteen days after the Committee issued its interim report, the Government announced that it would make available \$300 million dollars to local governments to 'stimulate growth and economic activity across Australia and support national productivity and community well-being'.¹

1 Department of Infrastructure, Transport, Regional Development and Local Government (DITRD LG), http://www.infrastructure.gov.au/local/rlcip_guidelines.aspx, accessed 8 December 2008.

- 1.5 The money was distributed under the Regional and Local Community Infrastructure Program (RLCIP), with \$250 million dispersed as a one-off payment and the final \$50 million made available under a competitive 'Strategic Projects' sub-program of the RLCIP. In addition to the initial \$300 million for the RLCIP, the Government announced that 'further funding [for the RLCIP] will be delivered under the program by 30 June 2009'.²
- 1.6 In response to the growing financial crisis and the volume of submissions received for the 'Strategic Projects' sub-program, on 4 February 2009, the Government announced that it would add an additional \$500 million to the 'Strategic Projects' sub-program of the RLCIP,³ taking total funding for the RLCIP to \$800 million.

Looking forward

- 1.7 Shortly after the Government's initial RLCIP funding announcement, the Department of Infrastructure, Transport, Regional Development and Local Government (DITRDLG) issued guidelines for the distribution of RLCIP funds. In reviewing the guidelines for the RLCIP and the RLCIP – Strategic Projects, it is clear that the short timeframes involved in the release of the money and the nature of the one-off payment system did not allow the Government to consider the Committee's interim report recommendations when formulating its guidelines.
- 1.8 The Committee is pleased to note, however, that the RLCIP guidelines accounted for some of the issues raised by the Committee. For example, local government received the funds, or in some cases, applied on behalf of not-for-profit organisations. Eligibility guidelines noted that the funding was to be spent on what the Committee

2 The Hon Anthony Albanese MP, Media Release, *Local Communities to receive \$300 Million for Regional and Local Infrastructure*, 18 November 2008, http://www.minister.infrastructure.gov.au/aa/releases/2008/november/AA176_2008.htm, accessed 18 November 2008.

3 The Hon Wayne Swan MP, Media Release, *Repairing Regional Roads and Funding for Community Infrastructure*, 4 February 2009, <http://www.treasurer.gov.au/DisplayDocs.aspx?doc=factsheets/2009/015.htm>, accessed 5 February 2009.

considered in its report to be hard infrastructure (as defined in the interim report)⁴ and did not include for-profit organisations.

- 1.9 In regards to the Strategic Projects sub-program, applications were assessed and ranked by the Department, prior to being submitted to the Australian Council of Local Government for comment before final ministerial approval – a process not unlike the one recommended by the Committee when it discussed the retention of ministerial discretion and the possible employment of state-based panels to assist in the assessment process.
- 1.10 Despite some similarities between the Committee’s recommendations and the Department’s guidelines, the Committee is of the opinion that it would be in the Government’s interest to consider in detail the recommendations of both Committee reports as it formulates a strategy to provide ongoing regional and local community infrastructure funding.
- 1.11 This is a particularly important point which the Committee wishes to stress. When the Committee received the terms of reference for this inquiry, it was the Government’s intention that the Committee report on ways to develop future regional programs.⁵ Most assumed that the Regional Partnerships Programme (RPP) would eventually be replaced with a new program and it was the Committee’s expectation that its recommendations would help form the basis upon which a new program was established.
- 1.12 What could not be anticipated was the world financial crisis – and its scale – which struck in the second half of 2008. As part of its response, the Government elected to channel money into the RLCIP. Previously established timelines no longer applied and, as a result, the Committee quickly issued an interim report as a means of assisting government decision making. Nevertheless, the financial crisis continued to deepen and the RLCIP has become one avenue used by the Government to direct much needed money into regional and local community infrastructure projects.
- 1.13 The Committee recognises the need to respond to the GFC and understands that the RLCIP was one mechanism in which to do so.

4 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 18.

5 See inquiry terms of reference, <<http://www.aph.gov.au/house/committee/itrdlg/regionaldevelopment/tor.htm>>.

However, the Committee encourages the Commonwealth Government, as Australia moves through the GFC, to develop and maintain an ongoing funding program for regional and local community infrastructure.

- 1.14 Throughout Australia, local governments struggle to provide adequate infrastructure for their communities despite substantial annual funding from a variety of Commonwealth Government programs – a PricewaterhouseCoopers report (2006) has estimated the cost of backlogged infrastructure renewals at \$14.5 billion.⁶ The loss of any regional infrastructure funding program would, therefore, further impede the ability of local communities to maintain and build much needed infrastructure.

Recommendation 1

- 1.15 **The Committee recommends that the Government replace the Regional Partnerships Programme with a new program designed to provide ongoing funding support for regional and local community infrastructure.**
- 1.16 This final report is not intended to revisit each one of the interim report recommendations in detail, rather it is intended to place the Committee's previous recommendations within the context of some overarching principles which the Committee believes are key to the development of any new regional and local community infrastructure funding program.
- 1.17 It had always been the Committee's intention to examine international grant processes in order to explore possible options for the development of a new funding model. Time did not permit such an examination in the interim report, therefore the remainder of this chapter will examine grant processes of similar programs in the UK, US and Canada before concluding the report with three chapters outlining some basic principles upon which a new program can be developed. These principles have been organised under chapter headings: program availability; program accessibility; and program accountability.

⁶ PricewaterhouseCoopers, *National Financial Sustainability Study of Local Government: Overview*, 2006, p. 10.

Regional grant funding—United Kingdom, United States & Canada

- 1.18 The Committee has examined grant processes in the United Kingdom (UK), the United States of America (US) and Canada in order to explore possible options for the development of a new program funding model.
- 1.19 While no one overseas funding program stood out as the best possible option for the RLCIP, there were aspects of various programs which the Committee felt were worthy of adopting in Australia. This section seeks to note those parts of the Committee's recommended RLCIP funding framework which have been utilised in overseas funding models, specifically the UK Department of Transport *Community Infrastructure Fund* (CIF), US Economic Development Administration (EDA) grants and Canada's *Building Canada Fund-Communities Component* (BCF-CC).

Partnership funding

- 1.20 In its interim report, the Committee endorsed the continued application of a partnership funding model for the RLCIP and noted that partnership funding had the potential to 'build on the relationships between the three tiers of government and local communities'.⁷
- 1.21 Partnership contributions are a recognised component of regional infrastructure funding in each program examined by the Committee. In the case of the US, the EDA specifies that their grants must not exceed 50 percent of the total cost of the project.⁸ Canada's BCF-CC requires that eligible projects be shared up to one-third each by federal, provincial and municipal governments.⁹ The UK's CIF does

7 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 17.

8 EDA, Overview of EDA's Grant Process, <http://www.eda.gov/AboutEDA/AbtEDA.xml>, accessed 17 December 2008.

9 Infrastructure Canada, Building Canada Fund-Communities Component (Canada-Saskatchewan), <http://www.canada-saskbcf-cc.ca>, accessed 17 December 2008.

not require partnership contributions but does 'welcome bids for schemes which attract other sources of funding.'¹⁰

- 1.22 Of the three schemes, the Canadian model was of particular interest to the Committee in this instance as it places considerable focus on the need for cooperation across all three levels of government.
- 1.23 The *Community Component*, which requires one-third contributions, is one aspect of the *Building Canada Fund*, which in turn is part of a larger infrastructure program called *Building Canada: Modern Infrastructure for a Strong Canada*. In the context of the wider program, the Committee notes that the Federal Government in Canada is partnering with municipalities (local governments) through direct, base-fund payments much in the same way as Australia's government has chosen to provide direct payments to local government under the RLCIP.
- 1.24 The Canadian Government is also providing direct infrastructure funding to the provinces on an up-front, regular basis that does not require expenditure in the year it was provided.¹¹ With respect to the BCF-CC, the Government has established funding agreements with the provinces as a framework for providing funds under the program. All three examples highlight the importance that Canada has placed on cooperative infrastructure funding.
- 1.25 The Committee's interim report also stated that partnerships are about more than funding and the Committee has noted that the Canadian Government is of a similar opinion, stating that it 'will work with its partners to promote knowledge, research, best practices, long-term planning and capacity building'.¹²
- 1.26 Federal/ state delineations of responsibility in Australia, Canada and the US raise real challenges when it comes to the provision of infrastructure funding. However, it is clear from the Committee's brief exploration of grant programs in Canada and the US that there is, at least, an acknowledgement of the importance of partnerships in

10 Department for Transport UK, Community Infrastructure Fund Guidance Paper, <http://www.dft.gov.uk/pgr/regional/policy/cif/communityinfrastructurefundg3718>, accessed 9 December 2008.

11 Building Canada: Modern Infrastructure for a Strong Canada, <http://www.buildingcanada-chantierscanada.gc.ca/alt-format/pdf/booklet-livret-eng.pdf?wt.ad=plan-eng>, accessed 17 December 2008, p. 25.

12 Building Canada: Modern Infrastructure for a Strong Canada, <http://www.buildingcanada-chantierscanada.gc.ca/alt-format/pdf/booklet-livret-eng.pdf?wt.ad=plan-eng>, accessed 17 December 2008, p. 28.

the funding process and the Committee reiterates its support for continued collaboration with Australian state, territory and local governments particularly within the context of the RLCIP.

RLCIP eligibility

- 1.27 The Committee has supported the eligibility of not-for-profit organisations including community groups and local government under the RLCIP. It has, however, recommended that local government be the auspice agency for projects that require a financial contribution from local government. Those not-for-profit organisations that do not require local government contributions should be able to apply for funding directly from the Government. It was envisioned, however, that these organisations would still be required to provide a letter of support from local government as part of an application.
- 1.28 In all three international examples examined by the Committee, local government plays a role in the funding process ranging in degree from exclusive eligibility, to a resolution of support, to a simple commitment by applicants to act in cooperation with local government.
- 1.29 In the US, EDA grants are open to a wide range of organisations including:
- ...state and local government, Indian tribes, Economic Development Districts, public and private non-profits, and institutions of higher learning.¹³
- 1.30 There is a specific requirement, however, that non-profit organisations must 'act in cooperation with officials of...local government with jurisdiction over the project area'.¹⁴
- 1.31 In the case of the Canada-Saskatchewan BCF-CC, eligible applicants are:
- municipalities with a population of less than 100,000;
 - public sector bodies that are providing municipal sector services under agreement with a municipality; and

13 EDA, Overview of EDA's Grant Process, <http://www.eda.gov/AboutEDA/AbtEDA.xml>, accessed 17 December 2008.

14 EDA, Overview of EDA's Grant Process, <http://www.eda.gov/AboutEDA/AbtEDA.xml>, accessed 17 December 2008.

- private sector bodies or non-profit organisations whose application is supported by a council resolution from the municipality where the project is to be located.¹⁵
- 1.32 The UK CIF is much more targeted and within its guidelines lists the regional bodies which are eligible for funding. For this program, only regional assemblies, consisting of local councillors and representatives of business and volunteer organisations in a region are eligible to apply. In the Australian context, this system would be similar to allowing a revitalised Regional Development Australia (RDA) to apply for funding for their regions.
- 1.33 When considered against international examples, the Committee's recommendation represents a middle path whereby the funding process formally recognises the need for local government participation without excluding applications from other not-for-profit organisations. As noted in the interim report, this recommendation reflects the Committee's attempt to respond to conflicting view points about the role of local government in the RLCIP funding process.¹⁶

Funding streams

- 1.34 There are two occasions in the Committee's interim report where the issue of separate streams of funding is raised. In Recommendation 14, the Committee recommends that applications be separated into three streams: those seeking less than \$50,000 in contribution from the program, those seeking between \$50,000 and \$250,000, and those seeking more than \$250,000.¹⁷ This recommendation was made because of concern about the level of complexity in the application process and its correlation to the amount of money being sought. Many felt that a grant for \$5,000 should not require the same application process as one for \$500,000. The Committee then assigned

15 Canada-Saskatchewan BCF-CC, <http://www.buildingcanada-chantierscanada.gc.ca/alt-format/pdf/bcfguide-fccmanuel-sk-eng.pdf>, accessed 17 December 2008, p. 46.

16 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 20.

17 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 41.

each stream to a closed funding round as a means of addressing the issue of timeliness in the assessment process.¹⁸

- 1.35 Of the three international examples canvassed by the Committee, only one chose to split its funding. The UK CIF split its funding into two streams: projects bidding for funding up to £5m and projects bidding for over £5m. This was done because:

Looking at all [projects] together would have meant a smaller list of [projects], benefiting fewer areas. Splitting the [projects] up has ensured funding for those large [projects] which are essential to supporting growth, while also capturing a wide range of smaller [projects] that collectively will have a significant impact across the growth locations.¹⁹

- 1.36 It is interesting to note that the UK's justification for introducing streams of funding differs from that of the Committee and the Australian public. Whereas the Committee was concerned about the need to ensure a streamlined, timely process, the UK was focused on ensuring a balance in the types of projects funded.
- 1.37 While the rationale for a funding split might differ, the option of introducing a split as a means of solving challenges within the grant process was noted by the Committee.

The application process

- 1.38 Of particular interest to the Committee was the manner in which the US, UK and Canada managed the application process for their grant funding. One of the benefits of the Committee process is the ability to meet with stakeholders and discuss concerns at public hearings. This inquiry conducted several roundtables at which the application process was discussed at length by those who had direct experience in applying for grant funding through the former Regional Partnerships Programme.
- 1.39 While the Committee does not have the benefit of receiving feedback from UK, US or Canadian applicants it has been instructive to review

18 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, pp. 48 & 49.

19 Department for Transport UK, Community Infrastructure Fund Round 2, <http://www.dft.gov.uk/pgr/regional/policy/cif2/round2>, accessed 9 December 2008, p. 2.

the manner in which similar processes have been constructed overseas. Three issues in particular are highlighted for comparison:

- utilising expressions of interest;
- forms of assistance for applicants; and
- the complexity of application forms.

Expressions of interest

- 1.40 Under the RPP, Area Consultative Committees (ACCs) performed an informal filtering role for applications that were unlikely to attract funding. They were not formally empowered to do so, but it was suggested to the Committee that this filtering process contributed to a reduction in program administration costs.²⁰ It was also noted that despite ACC filtering, 80 per cent of applications to the RPP were insufficiently developed.²¹
- 1.41 In the UK, potential applicants (note that the fund was only available to a specific group of regional assemblies) were invited to complete an Expression of Interest (EOI) questionnaire. The questionnaire was then subjected to a two-stage appraisal process. In stage one, the EOI was subjected to an eligibility assessment and in stage two the EOI was subjected to a detailed appraisal 'looking at strategic fit, transport impacts and benefits, and deliverability'.²² The EOI responses were then scored and ranked accordingly.
- 1.42 What is important to note in this process is that many applications did not make it past the stage one EOI assessment.²³ Therefore, the EOI process, in this instance, served to filter out those applicants unsuitable for the grant. This was done officially by government

20 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 46.

21 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional and local community infrastructure: proposals for the new Regional and Local Community Infrastructure Program Interim Report*, November 2008, p. 46.

22 Department for Transport UK, Community Infrastructure Fund Round 2, <http://www.dft.gov.uk/pgr/regional/policy/cif2/round2>, accessed 9 December 2008, p 1.

23 Department for Transport UK, Community Infrastructure Fund Round 2, <http://www.dft.gov.uk/pgr/regional/policy/cif2/round2>, accessed 9 December 2008, p 1.

department officials rather than a Regional Development Agency, for example, which in the UK would be the rough equivalent to an ACC.

- 1.43 The US model also employs a two-staged application process; however, in its case, the process is a pre-application one whereby a project is developed with the assistance of a regional office representative (see discussion below), who then prepares a project brief for review by a committee prior to the applicant being formally invited to submit.
- 1.44 The Committee is not aware if this process is considered to be “slow” by applicants. It can assume, however, that the significant filtering process undergone by applications is intended to ensure that applications received by the EDA have a higher likelihood of success. Certainly that was the Committee’s consideration when it recommended initialising a formal EOI process in the RLCIP.

Application assistance

- 1.45 As noted above, the EDA grant system is administered through regional offices and regional officers whose job it is to provide pre-application assistance, develop project briefs for EDA consideration and generally guide applicants through the grant process.²⁴
- 1.46 Alternatively, the Canadian BCF-CC and UK CIF processes utilise a central model based on a combination of on-line resources and call centre assistance.
- 1.47 Evidence received by the Committee suggests that assistance provided by regional officers, preferably face-to-face, is more desirable than a system of on-line support supplemented by a call centre. The Committee endorsed this view in its interim report and recommended either the use of RDAs (formerly ACCs) in an official advisory capacity, or departmental officers operating out of a regional or the national office – with specific regional responsibility – providing assistance to applicants.

24 EDA, Overview of EDA’s Grant Process, <http://www.eda.gov/AboutEDA/AbtEDA.xml>, accessed 18 December 2008.

Conclusion

- 1.48 The brief survey of international grant processes in this chapter indicates that there are a variety of funding options to be considered – many of which could be effectively employed in Australia. However, the design of an Australian program should reflect Australian needs, and therefore no one international grant funding model should be employed here. Rather, we have the advantage of being able to examine other grant processes in order to borrow those components which best suit our needs.

Program availability

- 2.1 The Committee's first guiding principle for the development of a new program is availability. In this context, availability refers to a set of program guidelines which clearly establish: what types of projects will be funded; who is eligible for funding; and how the funds will be distributed.

What types of projects should be funded by the program?

- 2.2 The Committee found in its interim report that the broad, flexible nature of the RPP represented what was both good and bad about the program. It was open for many to apply but the broad criteria and continuous assessment process raised considerable challenges for the administering department.¹
- 2.3 Clearly establishing the objectives of a new program is vital to its success. The new program should invest in genuine community infrastructure, support projects which improve the quality of life in communities and improve the coordination of regional infrastructure programs with the states, territories and local government.²

1 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 12.

2 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community*

- 2.4 The Committee does not, however, believe that the program should be open for all to apply. While it should be accessible to all regions of Australia,³ it must retain the partnership element of the previous program and predominantly fund what the Committee defined in its interim report as 'hard infrastructure' projects.⁴
- 2.5 The partnership model will assist the Government to fund genuine regional economic development and community infrastructure; minimise administrative costs and duplication for taxpayers; and build on the relationships between the three tiers of government and local communities. Limiting the new program to the funding of hard infrastructure will ensure that the new program remains sufficiently targeted, thereby overcoming some of the difficulties inherent in the RPP's assessment process.
- 2.6 Further targeting of the program is also an option. In developing the new program the Government may wish to establish sub-programs which would allow it to direct funding to priority areas or applicant groups.⁵ It should be noted that doing so may run the risk of over-complicating the eligibility requirements for the program; therefore, it is imperative that any extension of the program to targeted areas is well documented so that target groups or organisations are aware of their eligibility.

Who should be eligible to apply?

- 2.7 Under the RPP, non-profit and for-profit organisations were eligible to apply for funding. Only federal and state government agencies,

Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report, November 2008, p. 14.

- 3 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report, November 2008, p. 16.* Note: this interpretation would exclude Norfolk Island.
- 4 For a definition see House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report, November 2008, p. 18.*
- 5 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report, November 2008, p. 13.*

lobby groups, organisations not incorporated under federal or state legislation, ACCs and individuals were ineligible for funding.⁶

- 2.8 The Committee examined this issue closely in its interim report and concluded that any future program should include non-profit organisation community infrastructure projects but not provide community infrastructure funding to for-profit organisations.
- 2.9 In principle, the Committee is not opposed to the funding of for-profit organisations as a means of supporting regional areas. Business is an important driver of regional development and the Committee believes that the Government should provide funds to support for-profit business in regional areas. This should be done, however, through other programs that are better equipped to administer funds to for-profit organisations.
- 2.10 The challenge of administering a program as broad as the RPP was found to be such that the Committee believes a more targeted approach would better serve regional areas in the future. To that end, the Committee recommended that for-profit organisations be funded by regional industry grants administered by another department.
- 2.11 There are many kinds of non-profit organisations and once the Committee had agreed that for-profit organisations should not be eligible, there was still the question of how focused a future program should be. Some participants in the inquiry argued that all money should be channelled through local government so that funding could be aligned with local priorities. Others were concerned that doing so would preclude projects that local government was not financially responsible for.⁷
- 2.12 The Committee's conclusions attempted to strike a balance, recommending that local government be the auspice agency for applications which require financial support from local government, while, those applicants who do not require local government money need only secure a letter of support from their local government.

6 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 19.

7 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 20.

- 2.13 The Government has subsequently chosen to direct RLCIP funding through local government. The Committee has heard anecdotal evidence that suggests that in some cases, local governments have canvassed non-profit organisations in their communities for project recommendations that have then been put to the Commonwealth Government as part of the local government's funding request.
- 2.14 The Committee hopes that this has been a common approach by local governments around Australia because it believes that access to RLCIP funding for non-profit organisations in regional areas is as equally important as providing funding for local government. To ensure that a good balance has been struck between RLCIP funding for non-profit organisations and local governments, the Government should examine the applications received from local government and quantify the amount of funding which is being allocated to non-profit organisations.

Recommendation 2

- 2.15 **The Committee recommends that the Government examine RLCIP applications received from local government and quantify the amount of funding which is being allocated to non-profit organisations.**
- 2.16 If the Government finds that non-profit organisation proposals are well-represented in local government RLCIP funding proposals, then the Committee will be satisfied that the RLCIP funding process is adequately inclusive. If, however, that is not found to be the case, then there would be a strong argument for future regional funding programs to utilise the Committee's model as a means of aligning regional priorities through local government while maintaining an element of community flexibility in choosing to support projects which may not be within the purview of a regional plan.

How should funds be made available?

- 2.17 In examining this question, the Committee considered the choice between utilising open or closed funding rounds. The RPP, in part, had used an open round process. Non-profit project applications were accepted any time of year under the RPP with ministerial approval

being made based on the individual merit of the application rather than its ranking in relation to other applications.⁸

- 2.18 The Australian National Audit Office (ANAO) found this to be problematic for the administering department, not only because of the time management challenges an open round system posed, but also because of its requirement to perform due diligence on each application regardless of its merit, only to have a Minister make a decision which may or may not have been based on the weight or status accorded to it by the department.⁹ This system also added unnecessary complexity to the program as clients were unable to be certain about its parameters, which made application writing difficult.
- 2.19 As the Committee has pointed out, a more common practice is for grants programs to consider applications in a series of rounds, which open and close on nominated dates. Applications for each round are then considered in a group, and ranked according to program criteria. This is generally considered a more transparent and reliable method of arriving at application approvals, in that the ranking process provides a further layer of assessment, in combination with attention to program criteria.¹⁰
- 2.20 In an attempt to overcome concerns regarding transparency, certainty and timeliness, the Committee is of the belief that any future program should utilise a closed funding round system.¹¹

8 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 47.

9 ANAO quoted in, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 47.

10 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 48.

11 Committee recommendation No. 19 in, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 49.

Conclusion

- 2.21 In its interim report, the Committee made a series of specific recommendations designed to clarify these points and assist in the development of a new program.
- 2.22 The Committee encourages the Government to consider the elements of a well-structured set of program guidelines noted in this chapter, as it is important for regional communities to have access to an infrastructure funding program with clearly established program guidelines. People need to know the kinds of projects a program will fund, who is eligible to apply and the manner in which applications will be assessed and funds awarded. The simpler a program's structure can be made to this end, the better.

Recommendation 3

- 2.23 **The Committee recommends that the Government, in establishing a new regional infrastructure funding program, consider the need for clarity and simplicity when structuring guidelines that address an application's eligibility and the manner in which it will be assessed and funds awarded.**

Accessibility

- 3.1 The development of straightforward program guidelines is a start, but once a program structure has been put in place, focus must then be turned to ensuring that it is accessible to all applicants. Applying for funding should be as easy as possible and assistance with the development of applications forthcoming.

Does the application process need to be so complex?

- 3.2 Community feedback to this Committee consistently stressed the level of complication and uncertainty involved in the RPP application process. Delays in assessment and approval were cited as problematic, as was a lack of transparency and certainty in connection with application approvals. In practice, delays and subsequent increases in cost threatened the viability of projects and also reduced the degree to which the program was seen as fair and above-board by applicants and associated parties.¹
- 3.3 The ANAO expressed similar concerns, citing delays and project cost increases and the adequacy of the actions of the former administering Department (Department of Transport and Regional Services

1 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 37.

- (DOTARS) relating to due diligence, financial management and departmental procedures.²
- 3.4 Any replacement program needs to be less complex than its predecessor. However, the Committee is aware that a reduction in complexity should not come at the expense of obtaining quality information about a proposed project for the purpose of fulfilling the legal expectation under the *Financial Management and Accountability Act 1997* that good value for money is obtained for expenditure from the public purse.³
- 3.5 There is a balance to be struck between reduced complexity and adequate scrutiny. Several of the Committee's recommendations focused on this issue. In supporting the need for an easier application process, the Committee endorsed a proposal to differentiate between grant applications on the basis of the amount of money sought from the program.⁴
- 3.6 This will increase access to the program for applicants and rationalise administrative work-loads, and management of risk, by applying a greater level of scrutiny where projects involve a greater contribution from the federal government. The result should be an enhanced capacity by the administering department to process applications, and to perform other administrative processes associated with the program, in a timely fashion.⁵
- 3.7 To achieve this, the Committee recommended that applications be separated into three streams: those seeking less than \$50,000 in contribution from the program, those seeking between \$50,000 and

2 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 37.

3 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 39.

4 Recommendation 13, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 41.

5 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 41.

\$250,000, and those seeking more than \$250,000.⁶ Not only would scrutiny be commensurate with the level of funding being sought, but also the complexity of the application form. As a result, an organisation seeking \$5000, for example, could expect to fill out a relatively straightforward application form, which in turn would be assessed thoroughly, but quickly, by the administering department in a funding round (noted in Chapter 2), thereby guaranteeing timely funding announcements.

- 3.8 To answer the questions posed by this section: There are times when application processes do not need to be as complex, and there are times when they do. It is reasonable to expect that a request for a large sum of public money be handled differently than one for a relatively small amount. The principles of due diligence should be applied to every application but the process can vary in complexity, thereby ensuring an accessible, or less complex, program application process for all applicants, regardless of the amount of money being sought.

How can we help?

- 3.9 No matter how simple an application process is made, there will always be a need for applicant assistance. A funding program is essentially a service offered to a target area or group. Public perception about the program will be based, in part, on the nature of an applicant's interaction with the program administrators.
- 3.10 In the case of the RPP, many applicants expressed satisfaction with the assistance they received from ACCs (now RDA) during the development of applications and dissatisfaction with the process once their application was submitted to the National Office for assessment.⁷
- 3.11 ACC representatives were perceived to have local and regional knowledge as well as an understanding of the RPP. Dealings with DOTARS, however, often left applicants feeling as if they were not

6 Recommendation 14, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 41.

7 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 24.

appropriately consulted or given feedback on the status of their application.⁸ Conversely, the Committee received evidence from the DITRDLG suggesting that 80 per cent of RPP applications received by the department through ACCs were not complete, thereby creating more work for the department.⁹

- 3.12 There are two questions to consider when examining the issue of applicant assistance: how may applicants be assisted, and by whom?
- 3.13 In its interim report, the Committee outlined some fundamental information that should always be provided to applicants – well-prepared guidelines, web-based information and contact information. Promotion of the program should continue to be done through RDA; government websites, including GrantsLINK; media releases announcing approval for funding applications; and mail-outs from, or direct contact with, Members or Senators.¹⁰
- 3.14 The Committee also endorsed the use of an EOI process to develop applications. EOIs would be accepted throughout the year, independently of the program’s funding rounds, and would receive feedback and assistance sufficient to allow further development of an application, or to allow applicants to approach another, more suitable program. This information would be on file and constitute part of the evidence upon which assessments were made of those projects which develop into applications.¹¹
- 3.15 At the core of the Committee’s recommendations about applicant assistance is the assumption that in any program, applicants feel supported and that they are being treated fairly. Sufficient information being disseminated, and mechanisms such as an EOI

8 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 24.

9 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 25.

10 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 25.

11 Recommendation 18, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 47.

process, will assist in both regards. Ultimately, however, people will make the difference.

3.16 The question of who would assist applicants through this process has posed some challenges. The Committee was not asked to inquire into the future role of RDA, and as such, has limited itself to reporting on the information it received and making some recommendations framed around options for the Government to consider. The Committee presented two options:

- formally charge RDA with the role of assisting applicants to develop their EOIs into an application; or
- allow the administering department to undertake this role utilising either a regional field officer in each region or an officer allocated a specific region from either the national office or a regional office (where available).¹²

3.17 Central to both choices is the notion that strong applicant assistance derives, in part, from a familiarity with local communities, regions and an ability to nurture relationships in those areas. This was seen as the strength of ACCs and regional departmental offices.

3.18 By its nature, RDA will have the advantage of regional and local community familiarity and so it will be up to the Government to decide if it envisions a role for RDA in assisting applicants to funding programs. Should the Government choose to implement a program utilising a departmental assistance process, then the administering department should overcome its lack of regional familiarity by:

...assigning adequate resources to manage the program for particular regions, allowing them to develop and retain that expertise with respect to those regions.¹³

3.19 Regardless of how the Government ultimately decides to provide assistance to funding applicants, the need for good customer service will remain. Customer service is the cornerstone of the Committee's principle of accessibility and the program's administrators should

12 Recommendation 8, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 28.

13 Recommendations 16 & 17, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 45.

strive to ensure that applicants have been provided with useful knowledge and ample assistance in formulating their application.

Conclusion

- 3.20 Much of the Committee's public consultations for this inquiry centred on the issue of accessibility. Not surprisingly, community/government interaction during the RPP was a major issue of concern and the success of any future program will be based, in part, on how these challenges have been overcome. In response, the Government should remain focused on the needs of applicants when designing and administering a new regional funding program.
- 3.21 Communities and regions want a funding program that is accessible. They need access to useful information through a variety of sources and access to an application development process which places an emphasis on personal support provided by knowledgeable staff.

Recommendation 4

- 3.22 **The Committee recommends that the Government, in establishing a new regional infrastructure funding program, considers the needs of program applicants and ensures that the program is accessible by providing useful information through a variety of sources and access to an application development process which places an emphasis on personal support provided by knowledgeable staff.**

Accountability

- 4.1 The final measurement of a successful program is its level of accountability. To be accountable, each decision made during the administration of a program must be able to be adequately explained.
- 4.2 Unfortunately, the RPP was plagued with concerns about its accountability. The ANAO cited delays, project cost increases and the adequacy of departmental due diligence, financial management, and adherence to departmental procedures as matters of concern. There were also concerns about the relationship between political and administrative processes under the RPP.¹

How do you make a new program more accountable?

- 4.3 The Committee's interim report discussed several ways in which a new program might be made more accountable. Centralising the assessment process in a department equipped with adequate resources may be part of the solution, as will be changes to the Financial Management and Accountability (FMA) Regulations. Finally, program outcomes must be accurately assessed to ensure that funding agreements have been properly executed and that public money has been spent on its intended purpose.

1 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, pp. 37-38.

A more accountable assessment process

- 4.4 For a program to be accountable, it must be administered by people with the specific knowledge and skill sets required for the job. Just as it is important for those assisting applicants to have regional knowledge, it is equally important that application assessors have the skills to assess the financial viability of applications and projects, so as to not hinder the decision making process. This could be achieved through a combination of senior appointments made on the basis of the required skills, the use of third-party providers and continued training for departmental staff.
- 4.5 The assessment process could then be made more accountable by ensuring that skilled assessors are located in one office. The decentralised assessment model of the RPP contributed to the below-standard administrative culture of the program; therefore, the Committee has recommended that group administrative functions be retained by the DITRDLG at a central office.²
- 4.6 This may have the advantage of increasing the agency's capacity to attract and retain the necessary financial expertise to administer the RLCIP, while certainly creating clearer lines of responsibility and reducing the number of administrative layers involved in the assessment process.³

Holding final decision makers to account

- 4.7 The Committee has supported the continued use of ministerial discretion when approving regional funding under the RLCIP. Nevertheless, it did recognise that some of the problems which arose during the previous program stemmed from considerable decision-making flexibility being granted to ministers.⁴

2 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 30.

3 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 30.

4 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, pp. 56-58.

- 4.8 Flexibility was considered a strong point of the RPP on the basis that the program could support innovative projects, including many which may not have normally been funded because they involved more than one portfolio area. However, ministers' direct involvement in decisions over applications was seen as calling the political neutrality of the program into question. In response, the former government created a Ministerial Committee to consider applications, with the object of improving transparency and reducing time-lines for decision-making.⁵
- 4.9 Problems with ministerial discretion under the RPP also arose when Minister's made decisions which were at odds with program guidelines and the advice tendered by DOTARS. This contributed to a sense of uncertainty about the status of those guidelines, and had a negative effect on compliance within DOTARS. Furthermore, reasons for decisions which departed from guidelines and advice were often not recorded and were not required to be recorded under FMA Regulations at the time.⁶
- 4.10 It was the Committee's view that a new program should strive to remain flexible while reducing the risk inherent in retaining ministerial discretion. To that end, the Committee endorsed ANAO recommended changes to the FMA Regulations which called for ministers (or other approvers) under FMA Regulations to record 'the basis on which the approver is satisfied' that expenditure 'represents efficient and effective use of the public money' and 'is in accordance with the relevant policies of the Commonwealth'.⁷
- 4.11 The Government has since responded to the ANAO's recommendation by announcing reforms to the administration of Commonwealth grant programs.⁸ *New Commonwealth Grant*
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5 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 57.

6 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 57.

7 ANAO quoted in, House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 58.

8 The Hon Lindsay Tanner MP, Media Release: *Improving Government Grants*, 9 December 2008, <http://www.financeminister.gov.au/media/2008/mr_422008.html>, accessed 16, December 2008.

Guidelines will take effect on 1 July 2009 and will be ‘underpinned by a package of regulatory changes which will make it a legal requirement for Ministers and government officials to follow the new guidelines’.⁹

- 4.12 In addition, there will be a legal requirement for ministers and officials to record the basis upon which they are satisfied that a particular grant is an efficient and effective use of public money.¹⁰
- 4.13 These changes will reinforce ministerial responsibility for the new program and help to reduce the discretionary risks associated with the RPP as ministers will now be held to greater account for their decisions and subject to the penalties for offences against the Regulations.

Ensuring project success

- 4.14 During its inquiry, the Committee was particularly concerned about the RPP’s acquittal process. Evidence in the ANAO report suggested that during the audit period (2003 – 2006) the acquittal process was often deficient.¹¹ In some instances, money was paid in advance to projects, making the acquittal process retrospective. Furthermore, the Committee was advised that the acquittal process was done through a one page template to be filled out by the funding recipient and therefore, very little information was provided on where the funds had been expended.¹²
- 4.15 The obvious concern for the Committee in framing recommendations for a new program has been to ensure that money expended under the program is spent as it is intended to be – this is a key element in ensuring the success of projects under the program.
- 4.16 When the Committee questioned the DITRDLG about its acquittal processes, it was advised that since the audit period, the Department

9 The Hon Lindsay Tanner MP, Media Release: *Improving Government Grants*, 9 December 2008, <http://www.financeminister.gov.au/media/2008/mr_422008.html>, accessed 16, December 2008.

10 The Hon Lindsay Tanner MP, Media Release: *Improving Government Grants*, 9 December 2008, <http://www.financeminister.gov.au/media/2008/mr_422008.html>, accessed 16, December 2008.

11 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 61.

12 Mr Brian Boyd and Ms Tina Long, *Transcript 13 October 2008*, pp. 17-18.

has been asking for 'the full financial details on accounting for expenditure of [Commonwealth] funding'¹³ and has withheld payments when milestones have not been achieved. Also, the practice of paying money before it has been expended has ceased.¹⁴

- 4.17 The Department also stressed the importance of examining the outcomes of government investment, stating that the achievement of milestones would be sufficient evidence that money was being well spent:

So long as the outcome is achieved, we can verify the outcome has been achieved, and that is the milestone in the contract, we do not look at how all the money was spent.¹⁵

- 4.18 The Committee does not disagree with an outcomes based approach but stresses that the meeting of a milestone is an outcome that should represent an expenditure of funds for a specific purpose and be confirmed in detail in order for a thorough acquittal to have taken place. There cannot be a repeat of circumstances where money has been expended and acquitted but nothing has occurred.

- 4.19 In addition, project acquittals should be commensurate with the amount of contribution and the Committee wishes to stress again that the prescribed details of a funding agreement are vital to assessing a project's outcomes and should be clearly defined within a funding agreement. This will avoid confusion on the part of funding recipients as to expected outcomes.¹⁶

- 4.20 There should also be language within all funding agreements which specifies the exact purpose of the funding received. If the funding agreement is sufficiently detailed, yet clearly stated, then it is reasonable to expect that failure to meet objectives stipulated within the agreement would constitute a breach of the agreement thereby providing the Commonwealth with a measure of redress.

13 Mr Tony Carmichael, *Transcript 13 October 2008*, p. 44.

14 Mr Tony Carmichael, *Transcript 13 October 2008*, p. 45.

15 Mr Tony Carmichael, *Transcript 13 October 2008*, p. 45.

16 House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding Regional and Local Community Infrastructure: Proposals for the new Regional and Local Community Infrastructure Program, Interim Report*, November 2008, p. 63.

Conclusion

- 4.21 Given the level of scrutiny that the RPP had undergone, it should be expected that any future program will be considerably more accountable than its predecessor. Lessons have been learnt and many mistakes have already been rectified. Departmental processes have changed drastically since the ANAO report and recent changes to the FMA Regulations will help improve the accountability of future programs.
- 4.22 A program featuring a centralised assessment process administered with the appropriate resources will be a much more accountable one when considering that changes which have already been implemented. In addition, an acquittal process utilising well-structured funding agreements – where expenditure is based on a thorough examination of each milestone – will also be an essential component to the accountability of a new program.

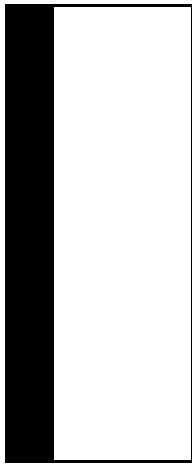
Recommendation 5

- 4.23 **The Committee recommends that the Government, in establishing a new regional infrastructure funding program, ensure that in addition to changes which have already occurred, a new funding program should employ:**
- **a centralised assessment process administered with the appropriate resources; and**
 - **an acquittal process utilising well-structured funding agreements, where expenditure is based on a thorough examination of each milestone.**

Catherine King MP

Chair

June 2009



Dissenting comments

Mr Paul Neville MP

- 1.1 As with the Committee's Interim Report, I must again dissent from my Government colleagues in many aspects of the majority report into Funding Regional and Local Community Infrastructure. I reiterate that as a member of the Committee and its predecessor over sixteen years, it is the first time I have dissented and I believe it is the first time in that period that an Opposition member has dissented.
- 1.2 In the Minister's preamble to the Terms of Reference, he invited the Committee to: 'make recommendations on ways to invest funding in genuine regional economic development and community infrastructure with the aim of enhancing the sustainability and liveability of Australia's regions'.
- 1.3 I contend that for 'genuine regional economic development' not to consider commercial development is a denial of the stated role of the Department itself, Regional Development Australia, and ultimately, the Ministry's influence.
- 1.4 In essence, it reduced the Regional and Local Community Infrastructure Program (RLCIP) to a focus on community and social infrastructure. While these two areas are important in themselves, they pale into insignificance when there is no driving force in regional communities to develop new industries or draw industries back to regional Australia. Deprived of the commercial and private element of a fully integrated regional development program, the operations aren't likely to attract the calibre of directors who would be able to counsel, assess and promote

such commercial projects, and also deprives the program of quality local promoters and assessors within the RDAs.

- 1.5 Prior to entering Federal Parliament I spent more than 20 years on the board of a substantial regional development organisation as Deputy Chair and later CEO. This experience leads me to believe that you cannot genuinely enhance the quality of life in any regional or rural community unless you can give it an economic *raison d'être*. Community and social infrastructure are important, but in the absence of business and economic programs, it might be seen as 'papering over the cracks'.
- 1.6 Ultimately, regional development must be holistic.
- 1.7 One of the most important ingredients to successful regional development is a sense of local involvement and ownership. It is also critically important that such organisations be well led. It will be no less so for RDAs.
- 1.8 I believe in the report of the Government members, there is too heavy an emphasis on Federal, State and Local Government administration of the processes and a role less important for the RDAs than their predecessors, the ACCs.
- 1.9 Regional development in the Australian states has risen and fallen over the years largely because boards and programs have been run as bureaucracies. Programs are changed, re-badged, subsumed and moved to other departments in a vain attempt at generating economic development in the regions.
- 1.10 On the other hand, the most successful boards have been those where local government and private subscription membership have combined to promote a region and attract industries. The new model for the RDAs gives them little authority – which I believe flies in the face of the overwhelming body of evidence derived at our regional hearings.
- 1.11 The report also calls for State-based Assessment Panels to be made up of Federal, State and Local Government representatives. There is little mention of business, the professions or representatives of RDAs themselves. The danger in this is that decisions will be coloured by a bureaucratic outlook. In evidence given at Bundaberg, former Isis Shire Mayor Bill Trevor pointed out that the RDAs would fail unless they had a level of involvement and responsibility.¹

1 Mr Trevor, Wide Bay Burnett ACC, *Committee Hansard*, Wednesday 8 October 2008, pp. 22-23.

- 1.12 It comes to its high point in my Government colleagues' Recommendation 12 where it is recommended that, if created, Assessment Panels should be chaired by a Departmental delegate as a representative of the Federal Government, and the Chair must then advise the Assessment Panel whether to support or not support individual submissions.
- 1.13 This could quite easily negate any genuine input at a professional or grassroots level. It is very much a 'Caesar judging Caesar' model.
- 1.14 While at first I objected to the idea of an Assessment Panel, I would support the concept if the representation was more broadly based, stood at arms length from departmental influence, and removed an overall layer of the assessment process.
- 1.15 The report has an emphasis on local government and while I am a strong supporter of local government, I believe a genuine regional development policy must allow for the capacity of other competent players to make applications to the scheme. This might include development bureaux, Chambers of Commerce, not-for-profit tourism organisations, service clubs, welfare organisations, environmental management bodies etc.
- 1.16 However, there should be a capacity within the program to allow local government to act in an umbrella or mentoring role for organisations which don't have the financial or organisational capacity to craft a submission themselves. Others, while competent, may not have registered status and ABN numbers.
- 1.17 The overwhelming body of evidence at all the hearings wasn't critical of the ACCs themselves and I believe it is important that the RDAs have a similar if not enhanced role – albeit with the proper checks and balances.
- 1.18 I support the concept of regional offices and field officers, although I do not believe they should be located simply in a central office. A lot of the failure of the Regional Partnerships program came down to a lack of understanding of the regions and how programs related to and enhanced rural communities. Small Regional Offices with a Manager, assessors and dedicated field officers would create a new and relevant conduit to the Department's Head office.
- 1.19 While the report describes a role for field officers, I believe it is far too wide and duplicates the role of the RDA's CEOs.
- 1.20 In dealing with the process, it was clear from the evidence that there was little faith amongst the proponents in the Department's engagements with, and understanding of, applications.

- 1.21 As outlined in this chapter, there was frustration on the part of the proponents in transparency, delays, certainty around approvals and timelines. Questions from the Department showed a lack of knowledge of the regions and understanding of the projects.
- 1.22 As the Wide Bay Burnett ACC (WBBACC) said in a recent submission to the Department on the future of the ACC/RDA program:
- ...any chance to make the Regional Partnerships program more effective in the regions was lost at this point. The Department's communication about grant applications became characterised by:
- Misunderstanding about the complex place-based issues facing communities;
 - Unrealistic expectations of the capacity of community organisations to prepare complex grant applications;
 - Unrealistic expectations about the capacity of community organisations to raise funds for local projects;
 - Unrealistic expectations about the duration of funding required for projects to become sustainable; and
 - A lack of understanding about the damaging impact on community organisations and private sector applicants of delays in decision-making.
- 1.23 For this reason I favour a three-pronged pre-assessment process for applications under the new process, all involving greater understanding of projects:
- (i) Enlargement of the ACC/RDA role
 - (ii) Strategically placed Regional offices
 - (iii) A program of skilled Field Officers
- 1.24 With regard to the first point, it is not within the terms of reference to examine the total structure of ACC/RDAs, other than to say that – as the first rung on the new RLCIP ladder – the quality of these organisations will be critical to the success of the overall programs. In turn, the calibre, skills and leadership quality of directors of the RDAs will be seminal to a successful outcome of the program
- 1.25 With regard to the second point, evidence at many of the Committee's hearings favoured strategically placed Regional offices of the Department rather than State offices. In the current circumstance, the retention of Townsville is to be commended. I would recommend the following structure for Regional offices:

Queensland - 3

- Covering North Queensland
- Covering Central Queensland/Wide Bay
- Covering South East and South West Queensland

*Possible locations being Townsville, Gladstone, Hervey Bay, Toowoomba or Roma

New South Wales - 3

- Covering the North Coast, Northern Rivers, New England and North West
- Covering North and South of Sydney, and Central West
- Covering the South Coast, Riverina and South West

*Possible locations being Coffs Harbour or Tamworth, Bathurst or Dubbo, Nowra or Wagga Wagga

Victoria - 2

- Covering non-metropolitan west of the State
- Covering non-metropolitan east of the State

*Possible locations being Ballarat or Bendigo, Shepparton or Sale

Western Australia - 2

- Covering non-metropolitan south west
- Covering the rest of the State

*Possible locations being Bunbury, Kalgoorlie or Geraldton

South Australia - 1

- All State

Northern Territory - 1

- All Territory

Tasmania - 1

- All State

1.26 These offices should not be bureaucracies but small responsive units of say, five or six people, with local knowledge of the RDA regions and skills

in financial and social capital assessment. Each office should have one Field Officer (perhaps two for larger geographic areas).

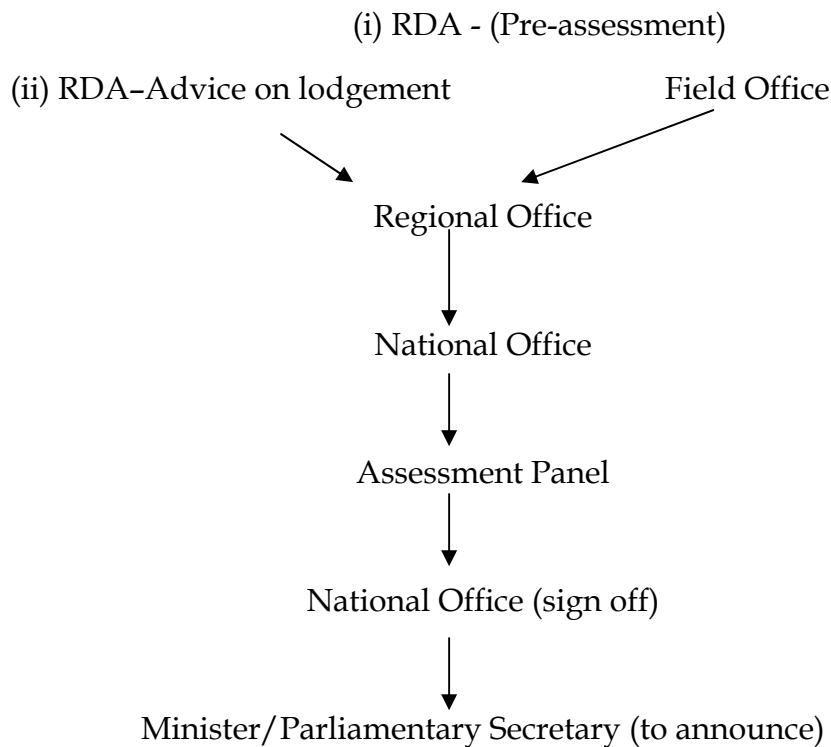
- 1.27 With regard to the third point, Field Officers would need to be articulate with a good understanding of country Australia, demography and social capital building. Assessment and mentoring skills would be essential. The ANAO and evidence at public hearings both indicate this capacity was lacking in the Department.
- 1.28 It would be vastly more effective if Field Officers were located in the regions rather than in a central National Office (ref Recommendations 16 and 17). For that reason, I'd delete the first dot point (i.e. referring to DITRDLG staff in central office from the text).
- 1.29 I see the role of the Field Officer as a conduit between the proponents and the RDAs on the one side, and the Regional and Central Offices on the other. They should coordinate the marketing of the RLCIP to the regions. The cities I've suggested as regional office locations are the hubs of regional TV stations and regional papers covering up to three RDA areas. They should advise, report on, and mentor difficult proponent applications. They should carry out investigations on behalf of the Regional and Central Offices. They should also act as the liaison point for such other programs that the Parliamentary Secretary might delegate to the RDAs.
- 1.30 However, they should not usurp the ACC-type role of the RDAs.

Chain of command

- 1.31 In evidence at most hearings, participants saw the assessment role of the ACC/RDA as two-fold
- To act as a promoter, adviser and mentor of applications
 - Upon lodgement, to recommend, caution or advise on applications going forward
- 1.32 For that reason, I am ambivalent about the need for an 'Expressions of Interest' stage. I see it as adding another unnecessary layer of process and bureaucracy to a potential application. By their very nature, these Expressions of Interest add to the application's volume of paperwork whereas the evidence called for a simplified process. Any competently-crafted application, with the vision of a project and knowledge of the application guidelines, should not need to be pre-tested. That role, if required, should remain with the RDA and its CEO. An RDA, given its knowledge of the guidelines, its appreciation of the community capacity,

and its unique insight into the 'hard' infrastructure likely to work in a given area, is better placed to make the initial pre-assessment. If contentious matters outside, or on the fringes of 'hard' infrastructure were to arise, the Field Officer should be involved for a second level of scrutiny.

1.33 I believe the chain of command (or process) should be:



1.34 If the Regional Office or Central Office has need of a query, objection or further financial advice, this role should be handled promptly by the Field Officer so that the overall process is not slowed down.

Funding

1.35 I agree to a multi-layered approach to funding (ref Recommendation 19), but believe that evidence from the public hearing supported four (or five) categories. While my colleagues agree with 'sub-programs' (ref Recommendation 2), I feel the principal sub-program discussed by participants at public hearing revolved around a model similar to the old Sustainable Regions program - one that recognised several economic problems in the regions (eg prolonged drought, entrenched unemployment, social dislocation etc).

1.36 I believe these categories should be

- 3-monthly rounds to a maximum of \$50,000

- 6-monthly rounds from \$50,000 to \$500,000
 - A rolling round from \$50,000 to \$2.5 million for deprived regions or areas within regions
 - A rolling round from \$500,000 to \$7.5 million for major projects
- 1.37 A fifth sub-set should be considered:
- An emergency announcement by the Minister or Parliamentary Secretary - up to \$500,000 for a critical event (eg Childers Backpacker Fire) - on the proviso that an identified proponent completes a formal application with 3 months of the announcement.

Assessment Panels

- 1.38 While I originally did not warm to the idea of an Assessment Panel, I must concede some ACCs requested an independent assessment process. Despite some misgivings, I would support the concept providing there was an Assessment Panel for each regional office or at least a group of offices.
- 1.39 Why? One central panel or one panel per State runs the risk of the panel(s) suffering the same fate as the original departmental analysis – its remoteness from the ACC/RDA areas and its lack of understanding of local dynamics and expectations.
- 1.40 This is less likely to happen if each Regional Office has an assessment team with local knowledge of its RDA area or, in a regional context, a cluster of RDAs.
- 1.41 I reiterate my view that the Assessment Panel personnel should come from a wider experience than the three tiers of government (Federal, State and Local).
- 1.42 The panels should include representatives of the RDAs, business, professions (eg accountants or engineers) a service club and a union representative. In strongly rural areas, an agricultural peak body representative could add more depth and guide potential project impacts.
- 1.43 It should also be borne in mind, that just one central panel would only have the time to give a plethora of applications a cursory ‘once over’, to say nothing of potential ‘bottle-necking’ and delays.
- 1.44 It achieves nothing if the panel(s):
- Lack local knowledge; or

- Create their own assessment bottlenecks.

1.45 This would only repeat and magnify the problems inherent in the department's ACC process.

Assessment Responsibility

1.46 A common theme at all public hearings was the complexity of allocations and acquittals for small grants (eg up to \$50,000).

1.47 In Toowoomba we received evidence that the State Department of Sport and Recreation Regional offices had authority to allocate grants up to \$50,000 – why less for a Federal Government agency?

1.48 For this reason I believe the small grants should be assessed and paid by the Department's Regional (or State) offices on the recommendation of the RDA and the Department's resident Field Officer.

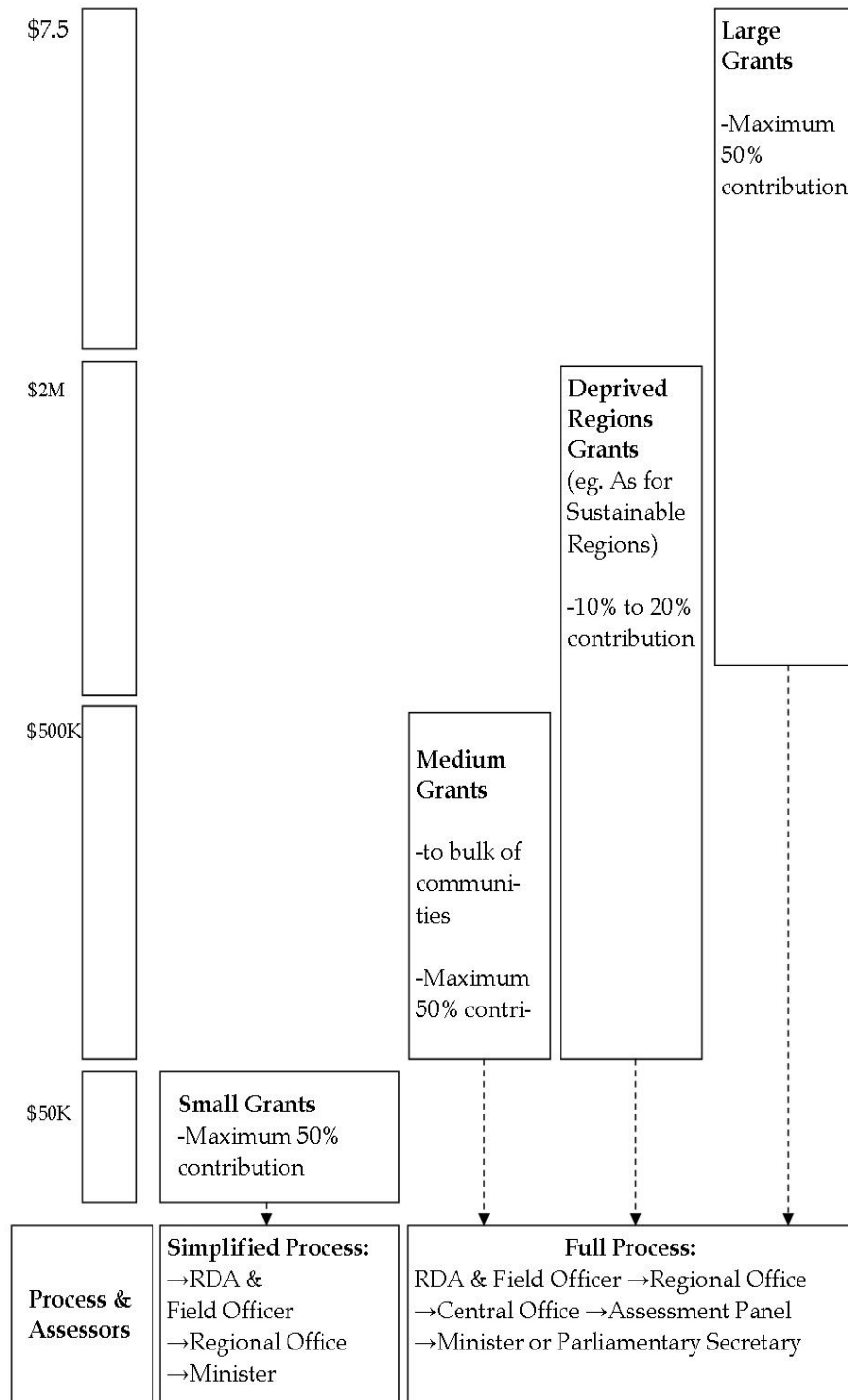
1.49 Subjecting all small applications to a national assessment panel seems unnecessarily complicated. Not having to rank these small applications, the worth of which should be self-evident, would release the assessment panels to spend their valuable time on the projects of medium, large and deprived regions. We should remember it is in these three categories where greater and valuable government resources are at stake.

1.50 With the medium range of grants – which the bulk of them will be – and the larger grants (which will contain projects like civic centres, cultural buildings, community centres, grandstands, pools etc) – all should be subjected to the full process of RDA and Field Officer recommendations, preliminary assessments by Regional Office, final assessment by Central Office as well as ranking and comments by the Assessment Panel.

1.51 There was strong support at regional hearings for a sub-program to mirror the old Sustainable Regions program. The rationale was to give the RLCIP the capacity to deal with regions, or specific deprived areas of regions (on Ministerial declaration) the ability to deal with social infrastructure where there was drought, embedded unemployment or social dysfunction – and where, for these reasons, local authorities or proponents could not fund projects to 50%. In this instance, I'd recommend a contribution of 10% or 20%. Some at the Bundaberg public hearing felt the measure should be even lower for deprived regions.²

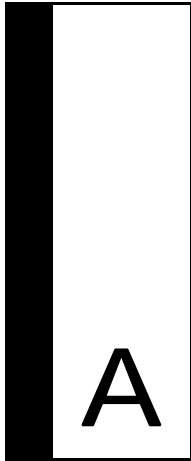
1.52 I've outlined the grand limits, a suggested process and the assessment operations in the chart that follows:

2 Mr Mobbs, Central Queensland ACC, Committee Hansard, Wednesday 8 October 2008, p.28.



Paul Neville MP

Deputy Chair



Appendix A – List of Submissions

- 1 ACC - Illawarra
- 2 Mr Philip Butherway
- 3 Tatiara District Council
- 4 Mr Jude van der Merwe
- 5 Mr Ian McCausland
- 6 Yarra Valley & The Dandenongs Marketing
- 7 Leeton Shire Council
- 8 Deniliquin Council
- 9 Macedon Range Shire Council
- 10 Adjunct Professor Tony Sorensen and Associate Professor Neil Argent
- 11 York Pony Club
- 12 Mansfield Shire Council
- 13 GWYDIR Shire Council
- 14 Gloucester Shire Council
- 15 Shire of Muckinbudin
- 16 ACC - Geelong
- 17 Australian Citrus Propagation Association Inc
- 18 ACC - Central Victoria

- 19 Mid North Coast Regional Development Board
- 20 City of Bunbury
- 21 Gillingarra Sport & Recreation Club Inc.
- 22 ACC - Mid West Gascoyne
- 23 Shire of Dumbleyung
- 24 ACC - Central Coast of NSW
- 25 McCallum Group
- 26 Murweh Shire Council
- 27 Nimbin Neighbourhood & Information Centre Inc.
- 28 Austchilli Pty Ltd
- 29 Shire of West Arthur
- 30 Cootamundra Mens Shed Inc
- 31 Upper Lachlan Shire Council
- 32 ACC - WA's South West
- 33 District Council of Barunga West
- 34 Richmond Valley Council
- 35 Surf Life Saving Australia
- 36 National Rural Health Alliance
- 37 Northern Areas Council
- 38 Superyacht Base Brisbane
- 39 Marymead Child & Family Services
- 40 Shire of York
- 41 ACC - Vic Central Highlands
- 42 Colac Otway Shire
- 43 City of Mount Gambier
- 44 ACC - Central Queensland
- 45 Hyden Progress Association Inc
- 46 Ms Ellena Biggs

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- 47 Goulburn Mulwaree Council
 - 48 Nhulunbuy Corporation Limited
 - 49 Australian National Audit Office
 - 50 Central Wheatbelt Visitor Centre
 - 51 Horsham Rural City Council
 - 52 Shire of Harvey
 - 53 Blueprint Shoalhaven
 - 54 Shire of Northam
 - 55 Mildura Youth Hot Air Balloon Club Inc
 - 56 Bruce Rock District High School
 - 57 Narromine Shire Council
 - 58 Albany Bridge Club
 - 59 Linda Bulloch
 - 60 Point Lonsdale Bowls Club Inc.
 - 61 Monaro Early Intervention Service
 - 62 ACC - Perth
 - 62.1 ACC - Perth (supplementary submission)
 - 63 Shire of Gingin
 - 64 Shire of Nannup
 - 65 ACC - Sturt
 - 66 Moyne Shire Council
 - 67 Shire of Dowerin
 - 68 Andrew and Janet Schulz
 - 69 Foundation for Rural & Regional Renewal
 - 69.1 Foundation for Rural & Regional Renewal (supplementary submission)
 - 70 Strathbogie Shire Council
 - 71 Shire of Moora
 - 72 Framework Lifestyle Planning Pty Limited

- 73 Gulf Savannah Development
- 74 Albany Lions Community Care Centre
- 75 Warrnambool City Council
- 76 ACC - Shoalhaven
- 77 Hunter Economic Development Corporation
- 78 Ms Gail Short
- 79 South West Development Commission
- 80 Warren Blackwood Strategic Alliance
- 81 Wimmera Information Network Inc.
- 82 Lifeline Canberra
- 83 ACC - Goldfields Esperance
- 84 Adam Gallagher
- 85 Shire of Wyalkatchem
- 86 Grampians Pyrenees Regional Development Board
- 87 Northern Regional Development Board Inc.
- 88 Four Post Youth Camp Inc.
- 89 Chief Minister, ACT Legislative Assembly
- 90 Shire of Goomalling
- 91 ACC - Central NSW
- 92 ACC - North East Victoria
- 93 ACC - South East NSW
- 94 Murray Shire Council
- 95 Council of Mayors – South East Queensland
- 96 ACC - Melbourne East
- 97 Tuross Head Country Club Limited
- 98 Shire of Wakool
- 99 Riverina Regional Development Board
- 100 Swan Hill Rural City Council

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- 101 Golden Plains Shire
 - 102 ACC - Gold Coast & Region
 - 103 Pilbara Regional Council
 - 104 ACC - Hunter
 - 105 Great Southern Development Commission
 - 106 Tulgeen Disability Services
 - 107 Kempsey Shire Council
 - 108 Whyalla Economic Development Board
 - 109 Lotterywest
 - 110 Geelong Football Umpires' League Inc
 - 111 Central Western Queensland Remote Area Planning & Development Board
 - 112 Northern Inland Regional Development
 - 113 City of Wagga Wagga
 - 114 Mary Walsh OAM
 - 115 Somerset Regional Council
 - 116 The Jaycees Community Foundation Inc
 - 117 Wheatbelt East Regional Organisation of Councils
 - 118 ACC - Adelaide Metropolitan
 - 119 ACC - Northern Territory
 - 120 ACC - Kimberley
 - 121 South West Group
 - 122 Heart Foundation
 - 123 Shellharbour City Council
 - 124 Far Western Regional Development Board
 - 125 Wingecarribee Shire Council
 - 126 ACC - Sunraysia
 - 127 City of Ballarat
 - 128 East Grampians Health Service

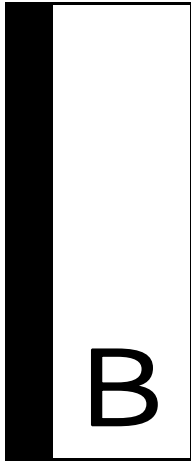
- 129 Tumbarumba Shire Council
- 130 Hidden Treasures of the Great Southern
- 131 Bass Coast Shire Council
- 132 Mackay Regional Council
- 133 Geelong Region Alliance (G21)
- 134 ACC - Mid North Coast (NSW)
- 135 Riverina Eastern Regional Organisation of Councils
- 136 PERFEX Working Group
- 137 Economic Development Australia
- 138 ACC - Outback NSW
- 139 Central NSW Councils
- 140 Department of Resources Energy & Tourism
- 141 ACC - South East Development (Melbourne)
- 142 Northern Rivers Regional Development
- 143 Hills Community Toy Library
- 144 Cardinia Shire Council
- 145 ACC - Central Murray
- 146 Wheatbelt Development Commission
- 147 ACC - Gippsland
- 148 ACC - Greater Brisbane
- 149 Latrobe City Council
- 150 Shoalhaven City Council
- 151 Regional Development South Australia
- 152 City of Bunbury
- 153 Namoi Regional Organisation of Councils
- 154 ACC - (SA) South Central
- 155 Caloundra City Enterprises
- 156 Australian Local Government Association

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- 157 Western Australian Local Government Association
 - 158 Fortescue Metals Group Limited
 - 159 Professor Adrian Walter, Charles Darwin University
 - 160 City of Mandurah
 - 161 Southern Flinders Ranges Development Board
 - 162 ACC - Southern Inland Queensland
 - 163 Ms Melissa Green
 - 164 Temora Shire Council
 - 165 Office of Regional Engagement, Southern Cross University
 - 166 Bunnaloo Recreation Reserve
 - 167 Ms Kylie Whitehead
 - 168 The Alice Springs Steiner School Association
 - 169 Mr Allan Gibson FCPA
 - 170 ACC - Ipswich & Regional
 - 171 Geelong Chamber of Commerce
 - 172 Finding Workable Solutions Inc.
 - 173 Shire of Lake Grace
 - 174 Mr Colin Grey OAM
 - 175 Central Coast Aboriginal Men's Group
 - 176 KESAB environmental solutions
 - 177 Economic Development Australia - WA
 - 178 Murray Bridge Uniting Church Property Development Team
 - 179 Whitsunday Regional Council
 - 180 Brimbank City Council
 - 181 ACC - Grow Sydney
 - 182 Wamboin Volunteer Rural Fire Brigade
 - 183 ACC - Tasmania
 - 184 Shire of Trayning

- 185 Limestone Coast Regional Development Board
- 186 ACC - Limestone Coast
- 187 Geelong Cultural Precinct Leadership Group
- 188 ACC - Albury Wodonga
- 189 Macarthur Regional Organisation of Councils
- 190 Gold Coast City Council
- 191 Local Government Association of Northern Territory
- 192 Sapphire Coast Marine Discovery Centre
- 193 Mr Wally Hirsch
- 194 ACC - Wheatbelt
- 195 Local Government Association of South Australia
- 196 ACC - Orana
- 197 Conargo Shire Council
- 198 ACC - Mackay Region
- 199 Royal Flying Doctors Service of Australia
- 200 ACC - Northern Rivers (NSW)
- 201 Yorke Regional Development Board
- 202 ACC - Wide Bay Burnett
- 203 South East Local Government Association
- 204 ACC - Greater Green Triangle
- 205 Manly Life Saving Club Inc
- 206 Ararat AP Branch
- 207 South East Australian Transport Strategy Inc
- 208 Lockyer Valley Regional Council
- 209 Shire of Donnybrook-Balingup
- 210 Regional Cities Victoria
- 211 Interface Councils
- 212 City of Ipswich

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- 213 Western Sub-Regional Organisation of Councils
 - 214 The Cockatoo Network
 - 215 City of Kalgoorlie-Boulder
 - 216 Mildura Rural City Council
 - 217 Willoughby City Council
 - 218 Singleton Council
 - 219 Minister for Tourism, Regional Development and Industry,
Queensland Government
 - 220 Foodbank WA Inc
 - 221 Wyndarra Centre Inc.
 - 222 WALGA
 - 223 Local Government Association of Queensland
 - 224 BHP Billiton Iron Ore
 - 225 WA Department of Local Government & Regional Development
 - 226 WA Department of Agriculture & Food
 - 227 Dr Frank Hurley
 - 228 ACT Sports House
 - 229 Western Sydney Regional Organisation of Councils
 - 230 Ryde Hunters Hill District Hockey Club Incorporated
 - 231 District Council of Peterborough
 - 232 Department of Infrastructure, Transport, Regional Development &
Local Government
 - 233 Department of Health & Ageing
 - 234 Cardinia Shire Council
 - 235 Peel Development Commission
 - 236 Great Southern Development Commission
 - 237 Acting Minister for Regional Development, NSW Government
 - 238 ACC - Riverina
 - 239 National Sea Change Taskforce

- 240 ACC - North Queensland
- 241 Tiwi Land Council
- 242 City of Joondalup
- 243 ACC - Capital Region
- 243.1 ACC - Capital Region (supplementary submission)
- 244 Minister for Regional and Rural Development, State Government of Victoria
- 245 Hockey Australia Inc
- 246 Goldfields-Esperance Development Commission
- 247 City of Whittlesea
- 248 ACC - Moreton Bay Coast & Country
- 249 Townsville City Council
- 250 Minister for Community Development
- 251 Cooma-Monaro Shire Council
- 252 Municipal Association of Victoria
- 253 Committee for Geelong
- 254 Associate Professor Alaric Maude
- 255 Hobsons Bay City Council
- 256 Northern Sydney Regional Organisation of Councils
- 257 ACC - Melbourne North & East
- 258 WA Department of Sport and Recreation
- 259 Greater Western Sydney Economic Development Board
- 260 Cycling Promotion Fund
- 261 Northern Regional Development Board
- 262 The District of Ceduna
- 263 Hobart City Council
- 264 National & State 2020 Delegate Regional, Rural & Remote Stream
- 265 Australian Land Management Group
- 266 Parks and Leisure Australia



Appendix B – List of Exhibits

- 1 Gillingarra Sport & Recreation Club Inc.
Regional Partnership Program - Gillingarra WA
(Related to Submission No. 21)

- 2 Superyacht Base Brisbane
Letters from QLD Government
(Related to Submission No. 38)

- 3 ACC - vic Central Highlands
Regional Partnership Projects 2005-2006
(Related to Submission No. 41)

- 4 Hyden Progress Association Inc
(Related to Submission No. 45)

- 5 Ms Ellena Biggs
(Related to Submission No. 46)

- 6 Albany Bridge Club
(Related to Submission No. 58)
- 7 Monaro Early Intervention Service
(Related to Submission No. 61)
- 8 Nhulunbuy Corporation Limited
Letter from Nhulunbuy Corporation Limited
(Related to Submission No. 48)
- 9 Office of Regional Engagement, Southern Cross University
Mid-North Coast Regional Economic Profile April 2008
(Related to Submission No. 165)
- 10 Meyrick & Associates
Meyrick & Associates - SEATS Strategic Network: A Preliminary Definition
- 11 Department of Infrastructure, Transport, Regional Development & Local Government
- Regional Partnership Guidelines, Assessment Criteria and Departmental Internal Procedures Manual
 - Sustainable Regions Guidelines, Assessment Criteria and Departmental Internal Procedures Manual
 - ACC Procedures Manual (Handbook)
 - SONA Procedures
- 12 National Sea Change Taskforce
Appendix 1
(Related to Submission No. 239)

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- 13 National Sea Change Taskforce
Appendix 2
(Related to Submission No. 239)

 - 14 National Sea Change Taskforce
Appendix 3
(Related to Submission No. 239)

 - 15 National Sea Change Taskforce
Appendix 4
(Related to Submission No. 239)

 - 16 National Sea Change Taskforce
Appendix 5
(Related to Submission No. 239)

 - 17 National Sea Change Taskforce
Appendix 6
(Related to Submission No. 239)

 - 18 ACC - Gippsland
Gippsland ACC - Public Notes

 - 19 ACC - Gippsland
Gippsland ACC - Role Description & Selection Criteria



Appendix C – List of Witnesses & Public Hearings

Monday, 21 July 2008 - TOOWOOMBA

Individuals

Mrs Marilyn Crompton

Mr Roger Green

The Hon Ian Macfarlane MP

Greater Brisbane ACC

Ms Alice Langford, Regional Development Coordinator

Mr Nick Xynias AO BEM, Deputy Chair

Ipswich & Regional ACC

Mrs Cindy Baker, Executive Officer

Mr Paul Emmerson, Acting Chair

Southern Inland Queensland ACC

Mr Barry Braithwaite, Chair

Ms Deborah Lewis, Executive Officer

Sunshine Coast ACC

Ms Kay Strong, Executive Officer

Wide Bay Burnett ACC

Mr Bill Trevor, Chair

Mr Cameron Bisley, Executive Officer

Caloundra City Enterprises

Ms Gerrie Carr-MacFie, Interim Chief Executive Officer

Council of Mayors (SEQ)

Mr Tony Krimmer

Department of Sport & Recreation (QLD)

Mr Neal Ames, Acting Regional Manager

Department of Tourism, Regional Development & Industry (QLD)

Mr Royce Brown, Director - Toowoomba Regional Office

Ms Maree Parker, Director - Office of Regional Development

Goondiwindi Training & Technology

Mrs Esme Cairns, Executive Officer

Granite Belt Support Services Inc.

Mrs Fiona Marsden, Management Committee - Treasurer

Local Government Association of Queensland

Mr Gregory Hoffman, Director - Policy & Representation

Murweh Shire Council

Cr Mark O'Brien, Mayor

South Burnett Regional Council

Cr Ian Carter, Mayor

Toowoomba Regional Council

Cr Bill Cahill

Cr Peter Taylor, Mayor

Western Downs Regional Development Corporation

Mr Paul Hodda, Chairman

Friday, 25 July 2008 - CAIRNS**Individuals**

The Hon Bob Katter MP

Far North Queensland ACC

Mr Frederick Marchant, Chief Executive Officer

Mr Kevin White, Former Small Business Field Officer

Ms Kathryn Sutcliffe, Adviser

North Queensland ACC

Mr Donald Pollock, Executive Officer

Professor Peter Arlett, Member, Management Committee

Advance Cairns Limited

Mr Ross Contarino, Chief Executive Officer

Australian Volunteer Coast Guard Association Inc.

Mr James Bramich, Commander QF9

Mr Brad Duck, Former Commander QF9

Cairns Regional Council

Mr Simon Clark, Director, Planning & Infrastructure

Cr Julia Leu

Ms Valerie Schier, Mayor

Cook Shire Council

Mr Stephen Wilton, Chief Executive Officer

Department of Tourism, Regional Development & Industry (QLD)

Mr Darren Cleland, Acting Director, Cairns Centre

Ms Maree Parker, Director, Office of Regional Development

Gulf Savannah Development

Mr Robert Macalister, Chief Executive Officer

Kowanyama Aboriginal Shire Council

Mr John Japp, Chief Executive Officer

Lockhart River Aerodrome Company Ltd.

Mr Peter Friel, Chief Executive Officer

Mount Isa Townsville Economic Zone

Mr Glen Graham, Committee Member

Tableland Regional Council

Mr Chris Adams, Deputy Mayor

Mr Ian Church, Chief Executive Officer

Monday, 28 July 2008 - DARWIN**Northern Territory ACC**

Mr Colin Fuller, Chair

Mr Raymond D'Ambrosio, Executive Officer

Department of Business, Economic & Regional Development (NT)

Mr David Malone, Executive Director of Regional Development

Friends of the North Australia Railway

Mr Trevor Horman, President

Great Southern Forestry NT Pty Limited

Mr Andrew Patterson, General Manager

Gwalwa Daraniki Enterprise Pty Limited

Dr Robert Rose, Farm Manager

Local Government Association of the Northern Territory

Mr Tony Tapsell, Chief Executive Officer

Mr Kerry Moir, President

Maningrida JET Centre

Mr Bruce Marshall, Executive Officer

NT Masonic Homes

Mrs Leonie Pratt, Executive Manager NT

Tiwi Land Council

Mr John Hicks, Executive Secretary

Victoria Daly Shire

Mr Trevor Troy, Director, Infrastructure and Civil Services

Wednesday, 30 July 2008 - Perth**Augusta Margaret River Tourism Association**

Ms Francine Burton, Chief Executive officer

City of Fremantle

Mr David Duncanson, Manager Economic Development & Marketing

City of Joondalup

Ms Rhonda Hardy, Manager, Strategic Development

Mr Garry Hunt, Chief Executive Officer

City of Mandurah

Mr Mark Newman, Chief Executive Officer

Department of Local Government & Regional Development (WA)

Mr Michael Walker, Acting Principal Policy Officer, Regional Policy Unit

Economic Development Australia (WA)

Mr Jay Hardison, Chair

Lotterywest

Ms Pearl Craig, Program Manager

Mr Mark Teale, Acting Assistant Director

Midland Redevelopment Authority

Mr Kieran Kinsella, Chief Executive Officer

Perth ACC

Mrs Marilyn Horgan, Executive Officer

Technology Assisting Disability (WA)

Mr Kenneth Whitaker, Chief Executive Officer

Town of Port Hedland

Mr Stanley Martin, Mayor

Local Government Association (WA)

Mr Ian Duncan, Economist

South West ACC

Mr Graham Hodgson, Executive Officer

South West Group

Mr Christopher Fitzhardinge, Director

Wheatbelt ACC

Ms Wendy Harris, Executive Officer

Yanchep Beach Joint Venture

Dr Ian Martinus, Economic Development Advisor

Monday, 4 August 2008 - Launceston**Individuals**

Mr Robert Frost

Ms Kathleen Grady

Tasmania ACC

Dr Tim Cory, Chair

Mr Craig Perkins, Chief Executive Officer

Cradle Coast Authority

Mr Roger Jaensch, Executive Chairman

Devonport City Council

Mr Ian McCallum, General Manager

Dorset Council

Cr Thomas Ransom

General Practice Workforce (Tasmania) Inc.

Mr Lawrence Donaldson, Workforce Data & Policy Officer

Huon Valley Council

Mr Glenn Doyle, Manager Economic Development & Rural Health

Launceston Chamber of Commerce

Ms Lou Clark, Executive Officer

Launceston City Council

Mr Ian Abernethy, Director, Development Services

Local Government Association of Tasmania

Mr Allan Garcia, Chief Executive Officer

Northern Tasmania Development

Mr Robert Wallace, Chief Executive Officer

Institute for Regional Development

Mr Clayton Hawkins, Project Officer

Wednesday, 6 August 2008 - BALLARAT**Individuals**

Mr Trevor Budge

Dr Frank Hurley

Central Victoria ACC

Mr David Admans, CEO

Cr Stuart McLean, Chair

Geelong ACC

Mr John Hansen, Executive Officer

Melbourne East ACC

Ms Jacqueline McCann, Board Member

Melbourne's North & West ACC

Mr Michael Iaccarino, Executive Officer

BEST Community Development

Mr Ron Stone, Chief Executive Officer

BGT Employment

Ms Gerrie Dorn, General Manager

City of Ballarat

Mr Anthony Schinck, Chief Executive Officer

Department of Planning & Community Development (VIC)

Mr Damian Ferrie, Executive Director, Community Strategy & Programs

Foundation for Rural & Regional Renewal

Ms Sylvia Admans, Chief Executive Officer

G21 - Geelong Regional Alliance

Dr Andrew Scott, Chief Executive Officer

Greater Green Triangle ACC

Mr John Collyer, Committee Member

Mr David Francis, Executive Officer

Loddon Shire Council

Mr John McLinden, Chief Executive Officer

Mildura Rural City Council

Mr Phil Pearce, Chief Executive Officer

Pyreiness Shire

Mr Stephen Cornish, Chief Executive Officer

Regional Development Victoria

Mr Richard Milne, Regional Manager, Barwon South Western Region

Ms Lynette Hughes, Rural Development Officer

Ms Justine Linley, Regional Manager, Grampians Region

The Ballarat Foundation

Mr Noel Trengove, Chief Executive Officer

Victoria Central Highlands ACC

Mr Peter Dwyer, Executive Officer

South East Metro Councils

Mr John Bennie, Member

Friday, 8 August 2008 - SHEPPARTON**Albury Wodonga ACC**

Mr Bert Eastoe, Chairman

Mr Ray Hortle, Executive Officer

Central Murray ACC

Mr Jason Russell, Executive Officer

Gippsland ACC

Ms Maree McPherson, Executive Officer

Sunraysia ACC

Mr Thomas Crouch, Executive Officer

Alpine Shire

Mr Ian Nicholls, Chief Executive Officer

Cobram District Hospital

Mr Nick Bush, Chief Financial Officer

Economic Development Australia

Mr David Keenan, Chair

Greater Shepparton City Council

Mr Peter Harriott, Director, Development & Infrastructure

Mansfield Adult Continuing Education

Mr Paul Sladdin, Chief Executive Officer

Mansfield Shire Council

Mr David Roff, Chief Executive Officer

Moira Shire Council

Mr Gavin Cator, Chief Executive Officer

Mount Alexander Shire Council

Mr Nick Haslinghouse, Director, Environment and Infrastructure

Municipal Association of Victoria

Mr Owen Harvey-Beavis, Manager, Economic Data & Policy
Development

Ms Kaye Owen, Director, Research & Policy

North-East Victoria ACC

Mr Shane O'Brien, Executive Officer

Regional Cities Victoria

Mr Paul Buckley, Member

Mr Doug Sharp, Chair

Regional Development Victoria

Mr Peter Turner, Business Development Manager

Tuesday, 12 August 2008 - DUBBO**Central NSW ACC**

Miss Sharon Bentick, Executive Officer

Hunter ACC

Mr William Willis, Executive Officer

New England North West ACC

Mrs Kate Baker, Executive Officer

Orana ACC

Mr Peter English, Executive Officer

Outback NSW ACC

Mr Kym Fuller, Acting Chairman

Mr Scott Howe, Chief Executive Officer

Brewarrina Shire Council

Ms Belinda Colless, Economic Development Officer

Central NSW Councils

Ms Jennifer Bennett, Executive Officer

Coolah District Development Group

Mrs Lucinda Thompson, Development Coordinator

Coonamble Shire Council

Mrs Lee O'Connor, Joint Economic Development Manager

Gowest Regional Development Fund

Mr John Clements, Board Member

Mr Allan Smith, Deputy Chair

Country Women's Association of NSW - Armatree Branch

Mrs Sandra Pagan, Member

Dubbo City Council

Cr Greg Matthews, Mayor

Gilgandra Shire Council

Mr Randall Medd, Promotion & Economic Development Officer

Namoi Regional Organisation of Councils

Mrs Katrina McDonald, Executive Officer

Orana Early Childhood Intervention

Mrs Janelle Burke, Director/Coordinator

Warrumbungle Shire Council

Mr Robert Geraghty, General Manager

Wellington Information & Neighbourhood Services Inc.

Ms Alison Conn, Manager

Thursday, 14 August 2008 - NOWRA**Individuals**

Mr Dennis Argall

Capital Region ACC

Mrs Marion Donaldson, Executive Officer

Mr David Malloch, Chair

GROW Sydney ACC

Ms Narelle Wheatland, Senior Project Manager

Illawarra ACC

Mr John Grace, Executive Officer

Shoalhaven ACC

Mr Brian Hanley, Chair

Mr John Lamont, Deputy Chair

Mr Milton Lay, Executive Officer

South East NSW ACC

Mr Peter Hughes, Project Manager

Basin Villages Forum

Mrs Maureen Webb, Secretary

Blueprint Shoalhaven

Ms Rhonda McGuire, Executive Officer

Illawarra Regional Development Board

Mr Garry Langton, Chairman

Mr Peter Pedersen, General Manager

National Sea Change Taskforce

Mr Alan Stokes, Executive Director

Department of State & Regional Development (NSW)

Mr Michael Cullen, Executive Director - Regional Development

Royal Volunteer Coastal Patrol

Mr Ronald Ford, Division Commander

Shoalhaven City Council

Mr Russell Pigg, General Manager

Mr Greg Pullen, Economic Development Manager

The Cancer Outpatients Appeal of Milton Ulladulla Inc.

Ms Dee Carrington, President

Wollondilly Shire Council

Mr James McMahon, General Manager

Wednesday, 8 October 2008 - Bundaberg**Individuals**

Mr Ken Wilson

Mr Phil Ainsworth

Central Queensland ACC

Mr Paul Kah-Nutt, Executive Officer

Mr Kym Mobbs, Chair

Sunshine Coast ACC

Mr Jason Law, Acting Deputy Chair

Ms Kay Strong, Executive Officer

Bundaberg Regional Council

Mr Peter Byrne, Chief Executive Officer

Cr Lorraine Pye Finch, Mayor

Department of Tourism, Regional Development & Industry (QLD)

Mr Michael Whiting, Director, Bundaberg

Wide Bay Burnett ACC

Ms Mary Walsh

Mr Bill Trevor, Chair

North Burnett Regional Council

Cr Joy Jensen, Mayor

Mr John Page, Chief Executive Officer

Rockhampton Regional Council

Cr Brad Carter, Mayor

Mr Alastair Dawson, Chief Executive Officer

Monday, 13 October 2008 - Canberra**Department of Infrastructure, Transport, Regional Development & Local Government**

Mr John Anglely, Executive Director, Local Government & Regional Development Division

Mr Tony Carmichael, General Manager, Better Regions Branch

Australian National Audit Office

Mr Ian McPhee, Auditor-General

Mr Brian Boyd, Executive Director

Ms Tina Long, Audit Manager