

Limestone Coast Area Consultative Committee

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

Re: *Submission to Standing Committee – Limestone Coast Area Consultative Committee*

The Limestone Coast Area Consultative Committee is part of a national network of ACCs and provides an important link between the Australian Government, business and community. As volunteer community based organisations, ACCs are uniquely placed to respond to issues and opportunities in their regions and provide a vital conduit to government on local social, economic and environmental conditions.

A core function of ACCs has been to be the primary point of promotion, project identification and application development for the *Regional Partnerships* program (including the Rural Medical Infrastructure Fund), and the key provider of advice to the Australian Government on *Regional Partnerships* applications from their region.

The LCACC board provides the following submission in direct response to the terms of reference.

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

Regional and rural communities are in great need of funding for many projects now to benefit their respective areas. Many items of significant infrastructure such as community centres, health clinics, aged care facilities and sport and recreation facilities grow the economic base of rural and regional Australia and diversify our industry base.

Existing infrastructure dating back to the 1950's and earlier in some cases absorbs a large portion of local government funds in maintenance costs yet no longer adequately supports the community demands. Quite often current infrastructure is obsolescent, too small, fails to meet accepted health standards and inadequately provides for today's youth, the ageing and disabled.

These types of projects are a genuine and accountable investment into community infrastructure by supporting attraction and retention priorities identified in the strategic planning of local government and regional development bodies.

Steady rises in building costs, the impact of fuel prices and rising inflation are producing continued increases in rate revenue and local government lending within rural and remote areas. This is crippling local government efforts to achieve sustainability and compounding an already difficult situation.



The government should utilise Regional Development Australia [RDA] and its established network and capabilities of RDACs for future regional programs. This former ACC network engaged with community groups, not for profit organisations, local government and regional development bodies in the development of appropriate local projects. It allowed for independent advice and recommendations to government based on regional priorities, provided on the ground development and vetting process not normally available to groups at a regional level and ensured that projects were well considered, realistically established and referenced to the community for which it was intended.

In addition, if all future infrastructure projects for the Federal Government included RDA and the RDAC network involvement, advice to Local and State Governments, project transparency and accountability would significantly improve due to the apolitical nature and independency of this important national network.

Examine ways to minimize administrative costs and duplication for taxpayers:

Independent financial viability analysis of Local government has been a catalyst for significant time delays in assessment in the past – for local government projects within South Australia, and no doubt across Australia this financial viability check is not necessary and a significant waste of taxpayer money - councils are financially secured by the State Government therefore there is no risk to the Federal government.

Ensure consistency in planning by insisting that all projects submitted for Federal funding are in line with local, State and Federal government strategic plans.

Simplify and streamline the application process with a clearer, stronger set of guidelines for organisations and local government. The application process should be straight forward, with timely assessment periods allowing proponents to minimise the need to engage the services of professional grant-writers to develop a competitive application for small to medium projects under \$100,000.

Accept State government department financial approval without duplicating investigation into financial viability - this would also reduce the cost to taxpayers and expedite the assessing process.

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:

The application process ensured that the project was well planned and supported strategic direction at local, regional and state level. ACCs provided guidance with the development of applications to ensure that criteria were adequately addressed prior to formal lodgement.

This involvement from ACCs in the development stage was critical. Due to the nature of scrutiny that applications undertook once reaching Canberra, quite often the complex issues facing communities became distorted resulting in unrealistic expectations of the capacity of community organisations to prepare complex grant applications and a

detrimental understanding of the damaging impact that delayed decision making has on communities.

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.

The Australian National Audit Office (ANAO) report clearly identifies the administrative deficiencies that had occurred within the Department. The deficiencies were accepted by the Department and strategies had been put in place.

Extensive staff training and the release of the revised internal procedure manuals in July 2007 followed in succession by the launch of eGrants in October 2007 sought to action ANAO recommendations allowed for shorter assessment periods. Following caretaker mode for the Election and subsequent closing of the Regional Partnerships Programme in May 2008 resulting in 494 projects submitted for assessment [a number of which had been with the Department for up to 12 months] now no longer being considered for funding. The impact on communities is enormous. Our region alone had 10 applications under assessment seeking a Federal contribution of \$5,223,693 to projects totaling \$20,284,187. An example being the Keith Sport and Recreation Centre – this project met the needs of a community of 6,864 (ABS 2006), had a committed contribution from 40 project partners of \$2,276,000 and clearly demonstrated Local and State government support for the proposed new infrastructure. The outcomes of the project was a facility that could be accessed by schools, sporting clubs, the hospital and aged care as well as providing a communal hub servicing the greater community.

To examine the former government's practices in Regional Partnerships after the audit and subsequent reporting period can't be accurately described due to the continued bottleneck in the assessment process – dependant upon your electorate.

The Australian National Audit Office is a specialist public sector agency that supports the Auditor-General, who is an independent officer of the Parliament.

Rural and regional communities remain under increasing pressure to raise revenue to match the higher costs associated with providing basic services.

An acceptable way forward for future funding would have been to continue with the Regional Partnerships Programme in the interim. Regardless of political influence the Department addressed their administrative deficiencies in accordance with the ANAO report.

LCACC is a community-based organisation that for twelve years has worked with a broad cross section of the Limestone Coast community. There have been many local infrastructure projects worthy of support, but few or no local people associated with them who are equipped to prepare a comprehensive and compelling application without our support and advice.

Therefore, the board considers that the outcomes of any future competitive funding arrangement for regional communities will be greatly enhanced if it incorporates local filtering and on the ground service that ACCs across Australia have given for many years.

A handwritten signature in black ink, appearing to read 'Wayne McNally', written in a cursive style.

WAYNE MCNALLY
CHAIRPERSON
9 July 2008