



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

Email: [itrdlg.reps@aph.gov.au](mailto:itrdlg.reps@aph.gov.au)

Dear Mr Michael Crawford,

RE: House of Representatives Standing Committee on Infrastructure, Transport, Regional  
Development and Local Government – **Inquiry into a new regional development  
funding program**

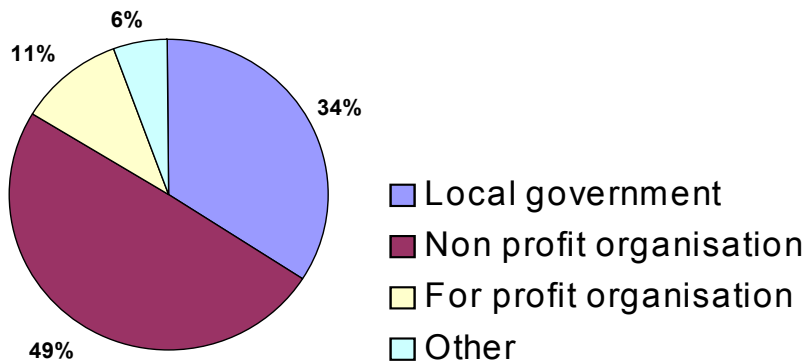
Thank you for the opportunity of responding to and having input into this Inquiry into a new regional development funding program.

The Adelaide Metropolitan Area Consultative Committee Inc (AMACC) has been very successful in its performance with project approvals and funding made available under the Regional Partnership Program (RP) for not only the metropolitan area covered by AMACC but for the outer regions, and regional and remote South Australia.

AMACC, as the only metropolitan ACC in South Australia and with approximately 65% of the population, the majority of industry and working with seventeen (17) local councils, has recognised that it has a role in facilitating the connectedness between regional and urban areas in ensuring there is sustainable growth and economic, social and environmental development in the State. AMACC also works closely with the metropolitan ACCs in other States and Territories as well as within the national network of ACCs to support and promote the priorities of the Australian Government.

AMACC Board members are selected on the basis of their skills and experience as well as their access to broad and diverse networks and represent the three tiers of government, small business, disadvantaged groups, key industries (Defence and IT/Communication) and communities. The 17 local government councils are represented by the LGA's Director of Policy and Public Affairs and this representation has proved to be invaluable as many of our RP project applications and approvals are with local government.

The following chart indicates the proportion of RP projects by applicants (on national basis).



In addressing the Terms of Reference for the Inquiry, the following methodology was used by AMACC to consult and elicit comment on the previous funding program ie Regional Partnerships:

- using contact details from AMACC's projects register, phone interviews were conducted with 46 proponents, including those who were successful in securing funding, those who were unsuccessful and those who had developed a reasonable draft application and had received some assistance and/or advice from AMACC but had not yet submitted their application. Interviews took place in June 2008. Ratings were based on a numerical scale as indicated:

1	2	3	4	5	6	7	8	9	10
very dissatisfied					very satisfied				

- AMACC Board Members were invited to complete a survey
- AMACC staff were invited to comment

#### **TERMS OF REFERENCE:**

*The Committee is to report on the ANAO'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.*

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

The Regional Partnerships program was valued as one of the few funding programs available in metropolitan and other areas for economic development and community capacity building initiatives, and was the only program that had the **flexibility** to meet the gap in funding for projects and initiatives **across portfolios** of State and Federal governments.

The level of funding available (\$270Million) enabled local government, industry and communities to consider and develop options to meet identified needs from a much broader perspective in terms of cost and long term benefits.

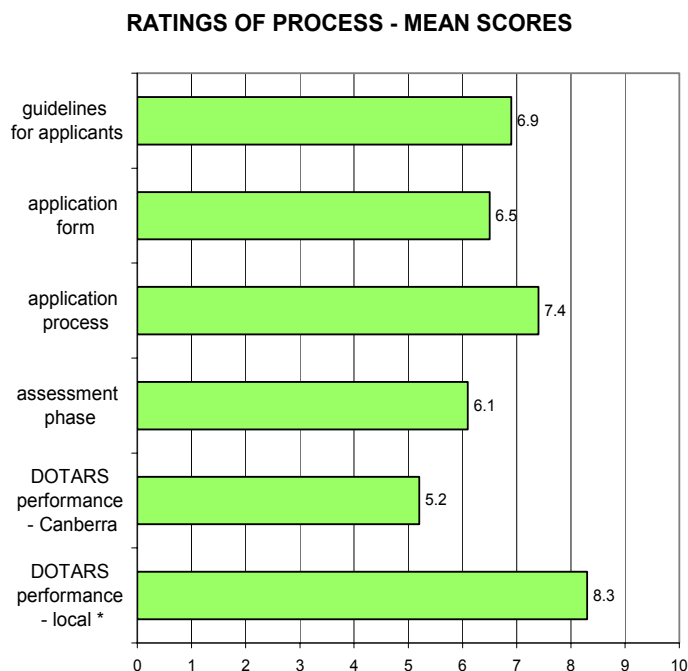
The guidelines, with the support of AMACC, ‘forced’ applicants to consider the **sustainability of outcomes**, the **inclusive** rather than exclusive benefits for communities, the **partnership approach in leveraging funding** to meet RP funding and the need for **evidence of support regarding the need and benefits** - as such the process of applying was a steep learning curve for some organisations and an invaluable model of best practice for applying for grants for community groups, industry, business and local government. The outcomes for proponents were generally far greater than originally anticipated especially in terms of gaining an understanding of their community and the relationships formed.

GrantSmart forums which included Regional Partnership information and grant writing workshops conducted and hosted by AMACC attracted large interest and registrations from local and State government organisations including Business Enterprise Centres (BECs) and Regional Development Boards (RDBs) as well as industry and community organisations. AMACC had to conduct another four (4) mini GrantSmart forums to accommodate the waiting list of registrants and these were held at venues provided by local government councils and attended by many of their staff .

The results of the telephone survey conducted by AMACC with proponents are summarised as follows:

**THE EFFICACY OF THE REGIONAL PARTNERSHIPS PROGRAM**

As illustrated below, levels of satisfaction with local DOTARS involvement was high, with less satisfaction concerning the Canberra office. Satisfaction levels with other aspects of the process fell between these two extremes.

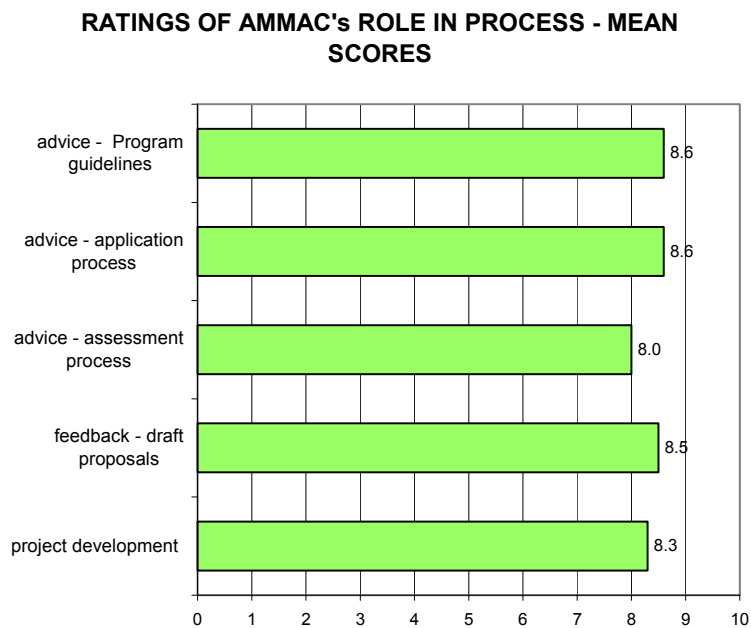


- Proponents showed a decided preference for a rolling application process [85%] rather than funding rounds [7%].
- Half [50%] of those interviewed indicated that they chose Regional Partnerships Program was because **our project was a good fit with guidelines**.
- Proponents had become aware of the Regional Partnerships Program via a plethora of different means:

■ <b>Told by community organisation/proponent</b>	15%
■ <b>Referred by Community Benefit SA</b>	13%
■ <b>Action by AMACC [various]</b>	13%
■ <b>Approached AMACC</b>	11%

### THE ROLE OF AMACC IN THE APPLICATION PROCESS

Levels of satisfaction with AMACC's roles in the process were all high:



- This was reinforced by positive comments about the expertise, dedication and empathy shown by AMACC staff.
- Proponents were asked to identify anything else that AMACC could have done/provided to assist with the process. Comments tended to focus on how onerous and complex the process was, with suggestions that AMACC could streamline this or at least improve communication.
- All proponents of successful projects **attributed that success to AMACC's involvement** to at least a moderate extent – but 74% acknowledged that AMACC contributed to a great extent.

During the interview process, just over half [57%] of the sample offered **further comments about the Regional Partnerships Program** and these are reproduced below. Most were very complimentary about the Regional Partnerships Program and AMACC's part in this.

- *Hoping to work with them again in the future on another project*
- *It is of huge value to organisations and a great encouragement to community groups who would not be able to step up without this sort of support*
- *A valuable program, especially to not-for-profit organisations and communities-at-risk*
- *An extremely worthy and targeted program that can provide benefit to numerous community groups*
- *An initiative that all governments should strive to retain because it's so flexible*
- *Extremely worthwhile / provides funding avenues not available elsewhere*
- *It was great for us because many other avenues for funding were closed because of lack of DGR status / a fantastic concept because of its broad scope which allows access to funding for many worthwhile projects which would otherwise be excluded by program*
- *It was the best program in a long time and we are amazed that it was stopped, particularly since it's conception was an initiative of Simon Crean's Labor government*
- *It's a worthwhile initiative*
- *Program was excellent but it was difficult to get through the process, having said that, one of its benefits was that we had to work hard to get it right/also it filled the gap where other opportunities were not available*
- *Thought it was brilliant as we tried to get funding elsewhere for a long time*
- *Want it to continue, that type of assistance is necessary for these types of applications as the process is so complex/generally outside expertise of non government organisations who don't have a dedicated person to undertake these types of projects*
- *As a result of a current debate, a lot of projects that were approved prior to the election may not be funded after all / it's unfortunate that the people who have been put on hold will have done a lot of work to have gotten to the stage they did*
- *Change of government should not alter the outcome of previous approvals*
- *Disappointed not to receive funding but this was bound to happen with any change of government*
- *Had potential to be an exceptionally good program but it was buried in bureaucracy and very difficult to work with*
- *Need to be far more transparent and equitable*

- *Process of submission can be drawn out/can be difficult to get departmental officers to understand competitive neutrality*
- *Uncertain about it's future owing to recent change of government*
- *Unfortunate that it is closing down*
- *Very sorry it has gone. There is no other source of government funding for us.*
- *It is essential for NGO's to develop projects that benefit the whole community*
- *Without my own previous personal experience working with consultative committees, I would have had great difficulty tracking down assistance in the first place*

### **Additional comments about regional development**

At the end of the interview, more than one third [39%] of proponents offered additional comments and these are reproduced below. Most were highly complementary about AMACC.

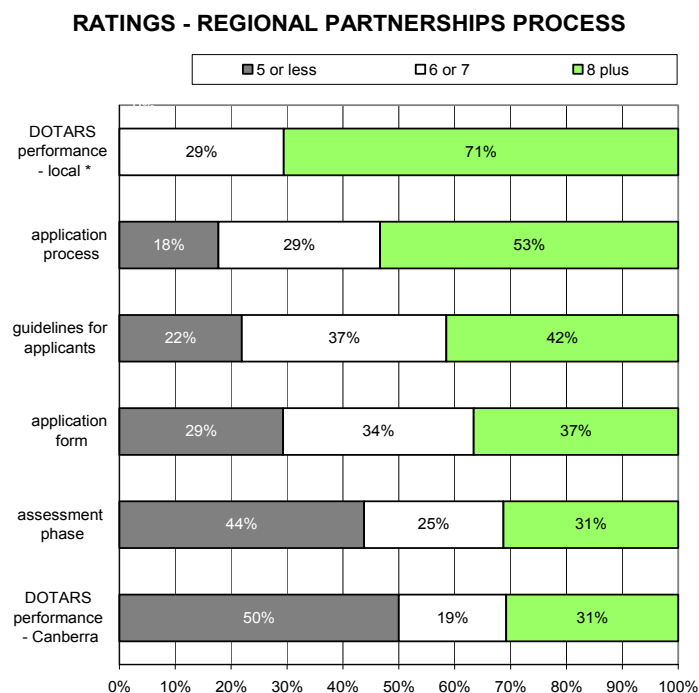
*AMACC staff are an absolutely fabulous group of people*

- *AMACC very professional / brutally honest but excellent, exactly what I needed at the time*
- *Appreciated their involvement and the success of our application*
- *Appreciative of their assistance and advice/will be reapplying in the future*
- *Experience with AMACC has been very positive, it comes down to the people there, contacts have been on a very real and practical level and AMACC have been interested and a contributor in our endeavours*
- *Found them very supportive and informative and there is a place for them*
- *Generally speaking they were doing a good job*
- *Have been very happy with their help*
- *I hope AMACC is able to maintain its role in the future, same as before / better to be focussed and specific*
- *The program works v well/ AMACC definitely has its place / because state funding is v limited, RPP funding is really important as a top up for certain types of project and AMACC is a critical part of the whole thing.*
- *They are providing a very good service and should be maintained*
- *They were just very approachable and helpful*
- *Within scope of what they could do, they were very helpful and proactive*
- *It has been an excellent program over the years, it could be refined but in any case should be continued either in its present form or a variation of it*

- *They should be more proactive in finding good projects and a lot more passionate about supporting those projects*
- *In the past grants were approved in certain electorates that were politically influenced/if we are to have justice in any program developed it needs to be divorced from politics*
- *Recreational sports grants are available for major capital works projects and community benefits scheme for small capital projects, but some organisations don't fit these criteria/charity organisations especially have limited opportunities*
- *The new 2 tier system with streamlined application form for projects <\$50,000 should be retained. Invaluable resource for community organisations who do not know how to negotiate bureaucratic processes.*

### Satisfaction ratings – Regional Partnerships Process

A summary of the satisfaction of proponents with various aspects of the process are as follows:



### Recommendations

1. The value and unique feature of the Regional Partnerships program was that it **'filled the gaps'** –working within the Guidelines, there was the **flexibility** to apply for funding for the 'bricks and mortar', for the Project Officer and other items essential to a project to achieve its desired outcomes but weren't covered by other sources of funding. A new funding program should build on and not duplicate other programs and have the flexibility to **respond to emerging needs**.

2. The application process should be streamlined with an application form that clearly sets out the **depth and details of the information required at the outset**; that allows an application form to be completed as a hard copy as well as on-line; and the **assessment period preferably shortened** to meet project timing issues in line with other funding partners.
3. Application process should be **ongoing** rather than in rounds.
4. **The role of a third party such as AMACC, in supporting the project development and application process, was considered essential** for the majority of proponents including local government staff. Community organisations as well as local government benefit from the support provided by AMACC and other ACCs in understanding the jargon and intent of guidelines and application forms. The Department and Government benefit from the facilitation role of AMACC and other ACCs, in the high standard of the applications submitted and the reduced need for further information and justification for the funding – this should lead to a more streamlined and efficient program of funding.
5. AMACC Board and other ACC or RDA Boards to provide advice and recommendations on projects to the Department and Minister

## **2. Examine ways to minimize administrative costs and duplication for taxpayers**

Since its inception in 2003, AMACC has effectively and efficiently promoted the Regional Partnerships program and in providing support and assistance to applicants in developing applications that meet the guidelines and contain the required supporting documentation, has reduced the assessment burden on the Department in Canberra and provided independent and apolitical advice to the Minister on local projects.

In designing a regional funding program some suggested ways to minimise administrative costs and duplication for taxpayers are as follows:

- **Ensure the program is clearly targeted with defined objectives and guidelines**
  - establish clear parameters and objectives for program
  - historically regional programs have been too broad and encompassed a wide range of sectors resulting in duplication across government agencies & confusion for applicants
  - new program should be clearly focussed on specific outcomes and work with other portfolio programs more effectively to minimise potential duplication
- **Provide clear guide/checklist for applicants up front to determine their likely eligibility and avoid wasting time in developing an application that does not meet criteria**



- **Reduce application/assessment period**
  - provide clear timeframes, consistent processes and clearly allocated responsibilities for bureaucracy and delegate
  - ensure a common understanding of process, timeline and timeframe for decision making
- **Simplified application form**
  - Stringently review the amount of information required to make informed decisions on funding eligibility – application form should be clear, concise and obvious to applicants
  - Simple and transparent questions to obtain sufficient and relevant information from applicant
  - clear and concise form will reduce number of errors or omissions by applicants and reduce the amount of guidance information sought by applicants from the department and/or ACCs/RDA
- **Ensure programs meet community need - focus on need not gloss**
  - skilled submission writers will invariably win out in competitive funding based on more polished applications rather than actual need
  - this is why ACC brokering role is vital – to assist those applicants who cannot present submissions as effectively as consultants do
- **Adjust assessment process to size of project**
  - streamline process for simpler projects
  - larger projects require additional assessment & risk management
- **Timely, transparent and clear funding decisions**
  - reduce decision making time
  - single delegate to encourage timely process and quick decision making
  - consider a departmental decision maker with review by Minister
  - Minister to set priorities for the program funding and review on regular basis
- **Use short form funding agreement to provide clearer, more streamlined administration of projects**
  - review reporting requirements
  - reduce administrative burden on funding recipients
  - reduce red tape and bureaucratic confusion
  - ensure consistency with other government funding agreements – a whole of government contracting framework
  - improve processing and funding time frames – benchmark performance
- **Most programs are resource intensive at the front-end of the business – ie submission, assessment, contracting; insufficient resources are allocated to monitoring and evaluation phase to inform and improve program outcomes**
  - currently evaluation reports are required on each project but rarely actioned or analysed by department
  - if projects require evaluation, ensure that these are read and analysed and knowledge is shared by the department to inform future delivery of projects

- encourage successful proponents to work closely with the ACC post-approval and to seek advice and support from the ACC in achieving project outcomes
- **Review the number and location of ACCs**
  - ACC network based on dated formula; timely to review spread and locations
  - metro and regional presence ensures that broad community perspective is captured
- **ACCs provide a cost-effective accessible community consultative mechanism for Government**
  - provide enhanced community liaison support through ACCs in those regions that do not have a departmental office – ie metro/capital cities
  - metropolitan ACCs are well networked, high profile organisations that have links to business, government, industry and third sector
  - use links to value add to program outcomes where departmental regional presence is absent
  - use locational advantage of local knowledge – minimise the “Canberra knows best” approach
  - better informed program funding decisions and greater chance of successful projects

A draft of possible guidelines for the new regional development funding program is attached. (Attachment 1)

AMACC has worked closely with the Regional Office(RO) of the Department in Adelaide and has been the key point of contact for enquiries regarding funding available and the process for applying as the RO has recognized that this process has reduced the duplication and confusion for applicants who ultimately work with AMACC in developing their application for funding;

3. **Examine the former government’s practices and grants outlined in the ANAO 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 2003-2006 with the aim of providing advice on future funding of regional programs.**

### **3. /4. Providing advice on future funding of regional programs.**

#### **Definition and clarification of the term ‘Regional’**

Use of the term ‘Regional’ to describe the funding program could lead to the misassumption that the program and funding was not applicable for projects or to meet needs in metropolitan areas – a definition of the term ‘regional’ or clarification by the government of the intent or geographical focus of the funding was required. AMACC assumed that the program applied to the metropolitan area as of course unemployment levels, skill shortages, inadequate infrastructure, industry attraction and retention are all issues that impact equally on metropolitan and non-metropolitan areas. Access to appropriate levels of funding should not be determined by geography, but rather by meeting a clearly defined set of criteria that are equally applicable to metropolitan, regional and remote areas.

Effective regional development requires policy and programs that are integrated and deal with the provision of infrastructure, industry development, expansion and diversification and measures to address a skilled and flexible workforce. The definition

or parameters of a funding program need not only to be clearly articulated and defined as being clearly related to economic development; but to be expanded out to include the recognised integrated components of economic development.

### **Caretaker Period/Change of Government**

Future funding program guidelines should clearly state the process for the program during caretaker mode and the process to be undertaken in the event that the program is wound up.

### **Recommendations**

1. AMACC Board and other ACC/RDA Boards to provide advice and recommendations on projects to the Department and Minister. Board membership to meet a selection criteria and reflection of the region.
2. All projects should meet the criteria of the program and be assessed against clearly documented processes.
3. Funding decisions should be merit based and made against published eligibility and assessment criteria.
4. Ministerial priorities clearly articulated and reviewed on regular basis in response to emerging needs
5. Program needs to maintain a strategic perspective and take into consideration differences between regions
6. Outcomes need to be sustainable and supported by the beneficiaries of the funding and project objectives.
7. Applications must produce evidence of need and justification for level of funding based on value for investment (by taxpayer).
8. A SWOT analysis and risk management strategy included in supporting documentation.



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This submission has been authorised by the Chairman, Board and staff of AMACC Inc.

A handwritten signature in black ink, appearing to be 'Anne Evans'.

SIGNED

DATE: