

Committee Secretariat
House Standing Committee on Infrastructure, Transport,
Regional Development and Local Government
House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir

Inquiry into a New Regional Development Funding Program

Please find attached a submission from the North Eastern Wheatbelt Regional Organisation of Councils (NEWROC) and Wheatbelt East Regional Organisation of Councils (WE-ROC), in respect to the above Inquiry.

Should you require any further information please do not hesitate to contact me as per the details listed on the submission.

Yours faithfully



Bruce Wittber
Executive Officer

10 July 2008



A Joint Submission by the
North Eastern Wheatbelt Regional Organisation of Councils and
Wheatbelt East Regional Organisation of Councils

House Standing Committee on Infrastructure, Transport, Regional
Development and Local Government

Inquiry into a New Regional Development Funding Program

Introduction

The Minister for Infrastructure, Transport, Regional Development and Local Government, The Hon Anthony Albanese MP, has asked the Committee to inquire into and 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 by 30 November 2008.

The North Eastern Wheatbelt Regional Organisation of Councils (NEWROC) and Wheatbelt East Regional Organisation of Councils (WE-ROC) wish to submit the following submission to the Inquiry.

NEWROC and WE-ROC consent to the content of the submission being made public and would be pleased to have an opportunity to present, in person, at a scheduled hearing in Perth.

In making this submission both NEWROC and WE-ROC wish to record the support and guidance of the Executive Officer and staff of the Wheatbelt Area Consultative Committee (Wheatbelt ACC) in developing applications but some issues are outside their scope of influence.

A Brief overview of NEWROC and WE-ROC and its Involvement in the Regional Partnerships Program

The NEWROC and WE-ROC Groups comprise 12 Local Governments situated in the Eastern and North Eastern Wheatbelt of Western Australia.

NEWROC has been operating since 1994 and WE-ROC since 2004. The 12 Shires have a combined population of nearly 13,000 and cover a total area of 64,000 km² with some 14,000 kms of road, both sealed and unsealed, traversing this area. Agricultural production is the primary economic focus for most who reside within the area.

During this time NEWROC and WE-ROC has gained a great deal of experience in accessing a wide range of Federal funding, with particular emphasis on Natural Resource Management projects.



NEWROC recently was awarded the Leighton Holdings, Local Government Landcare Partnerships Award at the WA Landcare Awards. As a result of winning this state award, NEWROC is now a finalist in the 2008 National Landcare Awards.

NEWROC and WE-ROC consider that their shared experiences in the operation of the Regional Funding Partnerships Program provide them with the ability to make a number of comments relevant to the Inquiry Terms of Reference.

Term of Reference 1

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

Regional Programs of the nature under consideration by the Inquiry provide a vital link between the Federal Government and regional areas of Western Australia. The development and funding of such projects, both large and small, has become increasingly complex. As a consequence, it is inevitable that considerable support is required to not only complete any application for funding but also in the administration and acquittal of many of the grants received. This is particularly the case for the smaller and more remote local governments in Western Australia where staffing resources mean assistance from agencies such as the Wheatbelt ACC is vital if funding is to be accessed.

The Wheatbelt ACC has been very supportive and involved in member Councils of both NEWROC and WE-ROC to develop funding applications, as they have worked closely with them to ensure that the information required in each funding application is presented correctly. This unfortunately does not always ensure that the application will be approved, as the complex funding application development process, 'one funding program fits all' approach and lengthy multi-step assessment approach in approving funding applications may result in an application not meeting the guidelines or the current policy initiatives.

There is also a level of uncertainty among those people involved at various levels in the application and assessment process which in turn undermines the efforts of all those involved in the administration of the Regional Partnerships Program.

It is also very apparent that the multi-step assessment process creates complications and unnecessary time delays. At a time when building costs are increasing at alarming rates and tradespeople increasingly difficult to source, the budget submitted for a project will not reflect actual costing should approval for funding be gained. Member Councils of both NEWROC and WE-ROC therefore believe there is an urgent need to review the assessment process such that there is a shortened time from when an application is received by the agency overseeing the allocation of grants to advising an applicant they have been successful in securing funding for their project.

Whilst the value of the Wheatbelt ACC and similar organisations across Australia in assisting in completing applications for funding from the Regional Partnerships program, the complexity of associated with successfully completing an application process cannot be underestimated.

Member Councils within both NEWROC and WE-ROC believe that the application process should be straightforward enough for community organisations not to have to acquire the services of professional grant-writers or consultants to complete funding application documentation. It is considered that even where an organisation possesses a high level of administrative and research capability the successful completion of a Regional Partnerships funding application was not a straightforward exercise.

Transparency of process is also important as it is evident that whenever a discretionary process is involved in the decision making arrangement the acceptance of projects can be cannot be as effectively managed as if it is an eligibility based grants program.

Term of Reference 2

Examine ways to minimize administrative costs and duplication for taxpayers

Members Councils of both NEWROC and WE-ROC believe there needs to be acknowledgement of the limited capacity of small rural and remote communities to finance their basic infrastructure needs. Small rural and remote councils need to be able to apply for funding that reflects community need, not attempt to fit the project to a prescriptive, capped program.

The complexity of the funding application and management thereof needs to reflect the dollar value of the grant. Streamlining administrative processes, relevant to the dollar value could dramatically cut the resources needed within the relevant government department/s and potentially address issues of duplication.

It is apparent that a simplified application process is required. This simplification in turn will lead to the ability for the Federal Government to impose more stringent guidelines on the assessment process to avoid the lengthy delays that can be experienced.

It is also clear that any replacement program must be accessible to rural and regional communities of all sizes and not just be designed to meet the needs of the populated areas, particularly the regional urban areas of Australia.

State and Federal regional development programs should complement each other and where possible combine seamlessly to directly assist small rural and remote councils such as those involved in both NEWROC and WE-ROC.

It is noted in other submissions to the Inquiry that a suggestion has been made to develop a simple expression of interest process which would enable small rural councils to “flag” an interest in a funding application and then if the project meets the grant guidelines and current policy initiatives advice could be given to proceed with a formal application. This would remove the need for small rural Councils to spend considerable time and effort in developing applications for them to then be not supported as the project did not meet current policy initiatives.

Any new programs need to be designed to match the stated requirements of community and business. Local government priorities, in broad terms, are well documented and fall into the broad categories of:

- Community and public infrastructure (for example, community pools, sporting facilities, cultural or tourism facilities or attractions);
- Local roads (and related infrastructure such as bridges);
- Health related projects;
- Environment related projects;
- Regional and local government economic planning-related projects (for example, tourism strategies, attraction strategies, or business attraction programs); and
- Provision to partner with or support private enterprise projects that can demonstrate a net return to community and the business sector at large.

To conclude its joint submission, member Councils of both NEWROC and WE-ROC by echoing the view presented a submission by the Shire of Mukinbudin, a member of the NEWROC, in its submission to the Inquiry:

Having had a close working relationship with the former Regional Partnerships program Council would like to urge the government to strongly consider introducing the next funding program along the guidelines of the Regional Partnerships program. It is imperative that:

- *the proposed new program is accessible for "Regional and Remote" communities of all sizes;*
- *it is not a program designed solely for Regional Urban areas;*
- *a "partnership" emphasis continue in the proposed new program;*

- *the initial application form be more streamlined and simplified. Many questions on the former Regional Partnerships program repeated themselves;*
- *the reporting and acquittal process be closely modelled on the former Regional Partnerships program in its ease for grant recipients;*
- *Project Officers be appointed as with the former Regional Partnerships program in the state or territory that the grant is being utilised and that their support remains at a very high level. This is the real key to the success of the project being implemented; and*
- *it is vital for any new program in the application stage to be given support in the similar role as the Area Consultative Committees worked. Staffs in these areas work tirelessly giving communities' valuable assistance and guidance, and from a government department's perspective eliminate unnecessary or ineligible applications.*

Should the House Standing Committee on Infrastructure, Transport, Regional Development and Local Government require further information on this submission all enquiries should be directed to the Executive Officers of either NEWROC or WE-ROC whose details are listed below:

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