

18<sup>th</sup> June 2008

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

Dear Sir/Madam

### **Inquiry into a New Regional Development Funding Program**

This Council is writing to express its support for the continuation of a funding program specifically designed to fund worthwhile regional initiatives.

Whilst aware of the controversy surrounding the Regional Partnerships' Program (RPP) this Council was the beneficiary of several RPP grants that were of immense value to the area:

Crooble Hall refurbishment  
Roxy Cinema enhancement  
Gravesend Hall refurbishment  
Warialda Medical Centre (Walk in - walk out proposal)

These projects ranged from small community based projects that 'value-added' the funds raised within these local communities as well as larger Council sponsored projects.

In no case could these projects be identified as anything other than successful, community based projects that complied with the funding guidelines and the rigorous assessment processes conducted by the local Area Consultative Committee and relevant Departmental staff.

One way in which the administrative costs could be minimised would be to review the acquittal requirements, especially when a local government body is the responsible authority. The accountability requirements fail to recognise the compliance standards that already exist within the general framework of local governance. The opportunity to improve the efficiency of the reporting requirements should be given a high priority. As each local government authority completes its annual financial statements an Auditor's certificate relating to each grant should be sufficient.

Also the same level of scrutiny is undertaken by the relevant funding Department irrespective of the size of the initial grant. Obviously, the appropriate acquittal of public monies is an essential element in any grant scheme but 'one size' does not fit all and this was the case with the RPP scheme. The only saving provision was that a formal audit was not required for smaller grants, which usually related to grants extended to community based groups.

Local government is an extremely efficient method to expend monies within the community and its administrative overheads are usually only a small percentage of the grant funds spent. This is highlighted in programs such as *Roads to Recovery*. However the current acquittal requirements often stretch the administrative support available within the structure of many types of Councils, especially smaller local government authorities.

It appears that the proposed new Regional Development Funding Program will not be funded to the same level as the former RPP and this would be disappointing, if that is the case.

Over the last year several reports have highlighted the financial strain that confronts local government as it endeavours to maintain and enhance its asset base whilst meeting the competing demands of its residents.

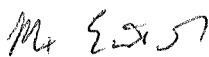
Direct funding by the Commonwealth Government through regional assistant programs is a very productive way to achieve many of the projects that remained beyond a Council's internal sources of funding. These types of programs should be viewed as an essential ingredient in a newly developed model of funding for local government.

Apart from the obvious employment and more general economic stimulus that these programs provide they also contribute to the social capital of an area and assist in developing a real sense of community.

These funds must be viewed as an investment rather than a hand-out. They invest in a community and create a sense of confidence about the future because the Government expresses its confidence through direct action.

If your Committee holds regional meetings the Council would appreciate the opportunity to make a formal presentation.

Yours faithfully



Max Eastcott  
General Manager

