

# TASSA SUBMISSION TO THE INQUIRY INTO A NEW REGIONAL DEVELOPMENT FUNDING PROGRAM

- Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects;
  1. Regional programs should be identified based on criteria that allow community organisations to access funding that is not available under other funding schemes. At the moment there are many potential infrastructure initiatives that do not have a direct access to funding.
  2. Infrastructure application for child care facilities for 6 month olds to 5year olds children, care facilities for older people, art centre, sporting facilities, youth centres, and initiatives of on the job training for Aboriginal people at all levels of labour force (including management) should be prioritised.
  3. Regional Australia suffers from lack of facilities for young people. It is paramount that attention will be given to improve the quality and range of activities available for young people in regional Australia.
  4. Regional programs should be funded based on merit.
  5. Enterprise partnership should be funded through a different stream which includes different government departments. The assessment process in this stream may require more detail to risk assessment requiring greater financial expertise to evaluate the long term viability of the projects.
  6. Community projects and projects from not for profit organizations should be considered for funding on a continued basis. The assessment requirements of community projects, not-for-profit organisations and small projects should be shorter and based on transparent guidelines.
  7. The administrative and reporting requirement from grant recipients should be streamlined to different categories of reporting based on the amount of money received, and the category of application (enterprise, community & non-profit organization).
  8. There has been a decline of the numbers of application submitted after Sep 2004. On average there were 30-40 submissions per month from an average of around 80 in Jan-Sep 2004. A better method of advertising the scheme is needed.

- Examine ways to minimize administrative costs and duplication for taxpayers;
  1. The applications should have a two-tier application process which includes an expression of interest and final application.
  2. Implement structured timelines eg; submit EOI: Feedback from RDF no more than 2 weeks. Submit final application within 2 months of EOI, funding decision from RDF within two months of receiving application. The total time from initial submission to receiving a definitive response should not exceed 4 months.
  3. At a time of electronic submissions members of a committee such as AAC should prepare comments in writing before their monthly meetings. Each submission should have a comment page attached at the end for members of AAC. All comments are distributed to committee members for comment prior to the meeting. If done properly this could reduce the time of the meetings. And make a more effective decision making process.
  4. Responses to the original application should be concise, and useful. This should make the second application a final application to be submitted to the funding authority.
  5. Clear justification to be provided for suggested changes within a set of criteria that would guide a transparent, consistent and fair decision making process.
  6. The committee should have a range of expertise and participate in decision making based on this expertise rather than political affiliation. For example representative from the arts should guide and evaluate submissions relating to art.

- 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
  1. The very flexible nature of the partnership program ensures that a variety of application can be submitted. Was there similar flexibility in the expertise of the ACC? Did the committee have sufficient regional representation to make informative decisions about allocation of funding?
  2. It is questionable whether an allocation of \$12.7m to the Department of Agriculture should be funded through the partnership program or should this be a budgetary allocation.
  3. A question in relation to the allocation of \$12.7m that should be considered is; are Government Department eligible to apply for funding under this program?
  4. It is important that decision making will be guided by the outlined guidelines of the program. These decision making needs to be transparent, consistent. In the ANAO report it has been found that the assessment of applications against the published eligibility and assessment criteria was inconsistent and inadequate.
  5. During the process of the submitting several draft of an application we were given misleading information in relation to the commencement of affiliated projects within our application. Such misleading information is costly to the organisation submitting the grant application. (we were told not to commence any of the projects with other partnerships before we hear the outcome of our submission) We have subsequently found later that this information was blatantly wrong.
  6. It is questionable whether the program partnership is an effective method of allocating resources to areas of need. More often than not the organisations with greater need are unlikely to get initial funding for any project. The partnership program leaves such organizations at a disadvantage. The ANAO report found that the partnership funding arrangement had often been given insufficient attention in the assessment and management of funding agreements. Furthermore it has found that partnership contribution have been overstated in many of the applications.
  7. A three monthly reporting procedure should be provided to inform the funding agency about the progress of projects that received partial (50%) funding upfront. Other projects would be given funding when sending copied of invoices. These invoices should be used as monitoring of the progress of the projects.
  8. Staff and Committee members must take responsibility for providing and relaying information to applicants accurately, honestly and expeditiously.

- 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.
  1. A watchdog employed independently from any political or social allegiance to oversee the implementation of new procedures based on the information received from this inquiry.
  2. During the years 2006-2008 it was evident the committee's main focus was to seek out any possible flaws with the application and play the devils advocate when interviewing applicants. It was a system of having to tick boxes after each sporadic feedback over an extremely costly extended period of two years after the application has already been identified as worthy and much needed community project. In our case we have submitted 5 drafts with very minor changes to the AAC over a period 6 months between April and September 2007. Only to be informed in August that our business plan from 2005 was out of date and they require a new business plan. This business plan was also out of date in April 2007.
  3. It would serve the program far better if it reversed this attitude, and embraced the positive attributes of the application and work together with the applicants in a harmonious partnership. Partnership being the key word in creating a working union between the committee and the applicants towards the common goal of developing successful projects.
  4. None of the comments from the AAC questioned the merit of the application. Given that there were no issues associated with the merit of the application we could not understand the reasons for hold ups and delays in submitting the application to Canberra.
  5. On September 12 2007 a decision was made to distinguish between projects under \$1m, and projects between \$1m and \$3m that would come under the new Growing Regions Programme. Given that our project was over \$1m we should have been informed about this change.
  6. Once our application was submitted we were asked to submit additional information. If the AAC had done their job we would have not been asked to provide further information to the department.
  7. Finally the letter from the Hon Minister Gary Gray informing us that our application will not be considered stated that some of the applications do have considerable merit. It is our review that if the government is concern with regional Australia the grants that have merit should be funded without further delay.