



FRRR

Foundation for Rural
& Regional Renewal

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Secretary:	

Chairman
The Rt Hon Ian Sinclair AC

Founding Members
The Australian Government
The Sidney Myer Fund

9 September 2008

Mr Michael Crawford
Inquiry Secretary
Standing Committee on Infrastructure, Transport, Regional
Development and Local Government
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr Crawford

Thank you for the opportunity to consider the transcript of the *Inquiry into a new regional development funding program* roundtable held in Ballarat, Victoria on 6 August 2008. I have one amendment, and the annotated page is attached, for your correction.

Could you please pass on my thanks to the Inquiry Chair, the Hon Catherine King MP, for inviting participation by the Foundation for Rural and Regional Renewal (FRRR) in the Roundtable, it was a valuable experience.

The Chair requested supplementary information on page 35 of the transcript and this is provided below.

Supplementary Information

Why round based funding? – when FRRR first commenced operations in 2000, funding was available for grants on a rolling cycle. As FRRR's mission is to work in partnership with others, from 2002 FRRR began establishing tailored grants programs through its partnerships, and with that came opening and closing dates for the grants programs.

The move to round based funding was to satisfy a number of needs for the organisation. As a small national foundation it allowed FRRR to manage its workflow throughout the year, though partners' needs have always been paramount. Most importantly it gives the applicant the information of when they may expect to know the outcome from their funding request and respects their needs in terms of planning. Most applicants are seeking funding from multiple sources and it is important for their planning purposes to know when funding may come on stream and be able to communicate this to other potential funders/partners. And finally as a partnership organisation,

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FRRR reports back to its partners on the application of its donation. Again this allows, a planned approach to providing information back to partners.

Having a closing date for a funding program does not preclude an organisation making an application at any time, it just ensures they know when they may receive advice on success.

FRRR undertakes to provide quick turn around for its many small grants programs and applicants will generally know within 4-8 weeks of the closing date of the outcome of their application. FRRR also will cross refer within the Foundation to the most relevant grants program, where this is done the applicant is advised in writing. FRRR also, on occasions, will refer applicants to other funding sources, both philanthropic and government. Interestingly, FRRR has finally moved its last grants program, FRRR Annual Grants, which is supported only by FRRR income (as opposed to partner donations) to funding rounds this year.

How do applicants know about grants programs? – FRRR provided the information below on our small grants program to a program partner earlier this year.

The Small Grants for Small Rural Communities program has historically been reliant on website contacts for promotion of the program. This has been successful over the last three years and has resulted in a steady increase in applications each round. Over the last six months, FRRR has had a more aggressive approach to marketing, and has attempted to increase its profile within a range of websites, and through its networks. The Small Grants Program is currently marketed through the following:

- a) **The FRRR website.** The Small Grants application form and guidelines are available under Funding Programs. Potential applicants who contact FRRR on the 1800 free call number are directed to the program.
- b) **Grants LINK website** – administered by the Dept of Infrastructure, Transport, Regional Development and Local Government. Grants LINK is a popular website for rural grant seekers. It is supported by an 1800 free call number that also directs grant seekers to FRRR.
- c) **State Government** – The Small Grants program details are listed on the Community Builders NSW site, Northern Territory Government Grants site, Queensland Govt site, South Australia Grants site and Our Community in Victoria. All sites have a hyperlink directly to the FRRR Small Grants page.
- d) **Local Government and Area Consultative Committees** – correspondence and regular email updates are sent to local government economic development and youth officers and the

executive officers of area consultative committees across the country. These contacts then forward information to their own networks.

- e) **Media** – Many local councils provide their regional newspapers with information on small grants closing dates.
- f) **Community Foundations** – FRRR sends regular updates on small grants closing dates to Community Foundations across the country to encourage them to build relationships with organisations within their region.
- g) **FRRR networks** – FRRR has developed a number of networks across a range of rural and regional sectors such as the Back to School program distribution organisations. Regular email updates are sent to these networks advising them of small grants closing dates.
- h) **Personal Referral** – many previous recipients both successful and unsuccessful refer other organisations to FRRR's website or the 1800 number.
- i) **FRRR Newsletter** – programs are announced 3 times a year.
- j) **Members of Parliament** – promote the program throughout their constituency.'

What percentage of applicants achieve success? – This depends entirely on the grants program and the criteria that are applied. The narrower the criteria, the higher chance of success. For instance a grants program with eligibility criteria for applicants from Victorian dairying communities to fund charitable projects, has a success rate of one in two. A national grants program with a major partner who does marketing and promotion through their extensive branch network has a success rate of one in 6 or 7. On average applicants to FRRR can expect a one in four chance of success. There is considerable ongoing unmet need.

Is fraud an issue for philanthropic granting? – As is so often the case with fraud, it is more likely to occur within an organisation, rather than from an external source. Of the 2,700 grants given by FRRR there have been 6 instances of fraud or theft. FRRR monitors these issues by requiring timely reports on all grants funds, maintaining close working relationships, and conducting unsolicited visits in chosen geographic areas. Recently, FRRR has brought in a requirement for all applicants to advise FRRR of changed financial circumstances in respect of an application for a grant.

It is more likely FRRR will have funds returned, even though with small grants there is no requirement to do so. Most applicants for philanthropic funding value the relationship as highly as the funds received. They would rarely claim to be "owed" the funding.

Other useful information – I would like to refer the Inquiry to the research project already underway at Queensland University of Technology (QUT) funded by the Dept of Families, Housing, Community Services and Indigenous Affairs about Australian Government grants programs and the not for profit sector. Professor Myles McGregor Lowdnes is heading the project.

In addition to the information provided in the Submission to the Inquiry by FRRR I would like to offer the following:

Current Activities

FRRR has also conducted a small number of one off programs. These are a partnership with the AFL, Dairy Farmers, a post disaster grants program following Cyclone Larry and now a post floods program in Queensland, a partnership with ABC Rural Radio and ABC Sport to provide grants to drought affected sports organisations.

FRRR uses the knowledge it has from its grant applications to develop new funding programs e.g. The Back to School Program identified the need for secondary students to receive support to Stay at School and a \$500 cash payment has been available to secondary students through community foundations. This program is currently a pilot and FRRR was able to negotiate with Centrelink an exemption from the income test for this gift, to ensure it did not have a negative impact on the students benefits. A Halls of Fame Program has been developed to target funding to community meeting infrastructure in small rural communities. This program was based on the level of unmet need for this purpose.

FRRR also provides community grant seeker workshops on request and deliver an average of one per month. FRRR coordinates with other bodies to participate in providing grant seeker information e.g. ACCs, other Trusts and foundations.

Thank you for the opportunity to provide additional information to the Inquiry. Please do not hesitate to contact me if there is anything further I can do.

Yours sincerely



Sylvia Admans
CEO FRRR