

**ATTACHMENT A**

*To reflect the views and concerns of the Greater Brisbane Area Consultative Committee, we offer the following input to the Inquiry's Terms of Reference as deliberated on by the GBACC Regional Development Sub-committee comprising of 9 members and endorsed by the Greater Brisbane ACC full committee. This submission has been compiled by Alice Langford, Regional Development Coordinator- GBACC.*

**Terms of Reference (1)****Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects**

Greater Brisbane Area Consultative committee covers three Local Government Authorities (a total area of 2,154 square kilometres), of which two are amongst the largest councils in Australia. Greater Brisbane Area Consultative Committee supported the development of \$4.45million in Regional Partnerships project applications that were approved prior to September 2007. There are several examples of worthwhile and genuine community infrastructure projects that illustrate the quality of projects, commitment by applicants and the value the project has within its community.

**Examples in the Greater Brisbane Region include:****BoysTown Community Learning Centre - approved March 2007.**

This project addresses local needs that were not being met through the community learning centre in Kingston (an identified highly disadvantaged area) to address pre-learning and pre-employment infrastructure needs such as counselling, life skills training in cooking, maintenance and personal improvement. Whilst there were program funds for delivery of activities, there was not a suitable facility available that could be utilised by the community or organisations. Further training and program funds to address local need on an on-going basis will continue to provide the following outcomes

- At very minimum, 800 local participants every year gain access to a range of activities to re-engage/ engage in their own personal growth leading to commencement in the continuum of care to gaining full employment
- Through the diversity within BoysTown, this construction and fit-out project not only created an environment for future service delivery, it also had immediate outcomes within the project. For example, this project enabled a BoysTown building apprentice from Indigenous origin to complete his trade. BoysTown Enterprises delivers a range of building services to maintenance, repair and fencing projects and in the case of the apprentice, needed opportunities to add to his complement of skills. This project enabled this to occur and the apprentice has now graduated and is looking to go into business.

**Marsden Student and Parent support project – approved March 2005**(located at Marsden State High School) sourced State Government funding for the hard infrastructure for a school-based community centre in a highly disadvantaged community. The Parents and Citizens Association borrowed funding to complete the building. The funding under Regional Partnerships resourced a full-time project worker to develop the soft infrastructure through outsourced services, local mentor groups, counselling, health and other support and advisory services. Sustainable

outcomes include supporting youth and their families to address social inclusion issues and personal related issues in the following ways:

- The school has become a real community hub for the resident and student population
- Parents get involved in sharing and solving local issues
- Visiting mentors
- On-site Police officer
- Certificate II Vocational training
- Various Church groups use the facility

Mu'ooz – Eritrean Women's Project – approved July 2007

- The set up of a restaurant/ kitchen for the Eritrean Women's community organisation to provide training and business opportunities to refugee women - which is achieving its objectives.
- Partners included Spiral Community Hub, State and Local Government, private sources and money saved by the Eritrean Women's group
- Funding by Regional Partnerships used on soft as well as hard resources

Echidna Magic – First Contact Development Corporation – approved 07-08

- Indigenous Social Enterprise to operate and manage a Kiosk on Mt Gravatt Lookout (an iconic location in Brisbane)
- Benefits include the general community, by providing a safe and family friendly environment in an isolated yet historically frequented location
- Partners include Local, State and Federal Government, local industry, applicant organisation, community and stakeholders
- Funding by Regional Partnerships to be used on hard infrastructure

***There are 16 projects that were still in development or awaiting assessment prior to September 2007.*** Each of these projects had similar commitments by other Government sources, community and stakeholders for immediate and post project operational costs. It is hoped that there will be scope to include these projects in the new funding program, whilst every effort is being made to seek assistance through other sources at this time.

**How to invest with a view to accountability?**

The process of applying for funding is extremely difficult for all applicants, regardless of level of grant writing expertise. Our experience has shown that the majority of applicants needed a great deal of assistance from the senior ACC Officer in contextualising their application and providing guidance throughout the process.

Under the new role, there is an even greater need to increase and improve the dialogue between assessing staff in Canberra and the local RDA to facilitate two-way seamless processing. An RDA/ACC is a very important catalyst between industry and community and a very remote Government in Canberra, with the ACC having its finger on the pulse of the local community and connected to the nervous system of policy and funding opportunities. *Without this type of structure, atrophy will set in as people and communities will become alienated and won't know where to go for help when seeking regional funding.*

### **Project development key success factors:**

In many cases, **emerging trends and issues** do not find their way into policy areas within Government as fast as the issue. In regional development terms, hard and soft infrastructure needs to be able to provide better local conditions.

For example, high speed broadband supporting communities outside the Brisbane CBD will enable businesses to set up and support local communities, reducing peak traffic flows/ carbon and improving local business activity i.e. shopping centres in the Redlands could increase their retail trade.

Additionally, the higher increases in population growth have impacted on the supply and demand of housing at a rapid rate, much faster than policy makers can prepare a response to issues of housing affordability and homelessness.

Policy implementation, such as the Social Inclusion policy, Computer in Schools, GP Super Clinics and Climate change to name a few, each connect to our region in their implementation/ roll-out. There are *real opportunities to value-add* to these projects through local communication strategies and local initiatives that assist in the implementation, such as addressing the issues around the lack of technicians to support to new computers in schools could be addressed through local training and employment initiatives.

- *Solution- seamless process, faster processing times, provide capability for the RDA to engage with and manage national priority projects at the local level through the new regional funding program including notional funding to engage with stakeholders for solutions.*

Our experience also recognises that *successful “drivers/ leaders” of projects* need to be supported. If the driver/leader was lost from a project it was due to project assessment taking too long. Similarly, where a project budget is cut back at approval stage, this also guarantees failure or significant strain in meeting the project objective.

- *Solution – seamless process, faster and guaranteed processing time, approve the requested budget, departmental service standards to match ACC/RDA Key Performance Indicators*

In the past we have had issues arising from Ministerial appointed ACC members leaving their management positions such as a ‘Chair’ and ‘Deputy Chair’ and making the Minister’s Department aware that new appointments are needed to made so that clear and transparent decisions could be made by the GBACC Management Committee in formalising regional funding recommendations. We have a situation currently where we are still awaiting the replacement of a Deputy Chair, even though we advised the Minister nine months ago.

- *Solution – when these vacancies occur, the Minister must replace these positions without undue delay*

The discretionary funding process created unforeseen delays in the process of approvals in the majority of cases. This creates several issues on all fronts, none more so than for the applicant and their partners.

- *Solution - The only feasible way forward is to have an independent board of “professionals” that can make informed legal binding decisions quickly that are within the objectives of the program. In saying this, the role of decision making and the role of recommendation each need to be clearly defined and not left to individual discretion.*

The criticism of the Regional Partnerships program was in the broadness of its application/ lack of clear guidelines that reflected priorities and the ability for the projects approvals based on a discretionary process of shifting goal posts. This created issues for applicants, stakeholders, partners and senior ACC staff to redesign projects mid-stream on a regular basis.

- *Solution – Consistent guidelines and better templates and tools for pre-assessment accessible by the local ACC/RDA staff and better assessment tools to improve the submission and assessment process.*

### **Greater Brisbane ACC Model for developing and recommending genuine and accountable community infrastructure projects**

Engagement and communication within the GBACC Region has been successful because it has and gets involved with:

- A wide reaching network within the community that is connected through a diverse range of stakeholder relationships
- Committee member relationships with their communities and communities of interest
- Community engagement through Grant Writing and Grant Finding Workshops, Indigenous engagement strategies, GBACC Regional Development Forums
- Interagency activities such as:
  - Place projects – State Government led ‘place based’ initiatives targeting high need for communities and communities of interest within the Greater Brisbane Region including Carole Park, Inala, Darra, Southern Moreton Bay Islands, Fortitude Valley and Zillmere, where GBACC has engaged in developing Regional Partnership funding projects in partnership with other key agencies across all levels of Government and supported by the local Community Reference Group,
  - Community Renewal interventions by the State Department of Housing addressing local community planning in areas of high need, including Logan, where GBACC has successfully facilitated Regional Partnership funding to meet identified community action plans,
  - Regional Managers Coordination Networks – Greater Brisbane and Southern Gateway interagency State led network inclusive of Local and Federal Government representation,
  - SouthROC – Region of Councils interagency group on Economic Development Strategies for the Southern Queensland regions
  - Multiple Working groups and interagency groups addressing local issues)
- Newsletter and other low cost marketing activities

The long term commitment of a separate “Regional Development Sub-committee” formed by the GBACC includes staff, 7 GBACC members, external professionals who are not members, co-opted members in special cases and a visiting Departmental officer. The aim of the sub-committee is to achieve a balanced view over each project (refer Regional Development Sub-Committee Terms of Reference Attachment (B))

Regional Development Sub-Committee Process includes:

- Concept form (Attachment (C)) accepted by full committee prior to further assistance by the Senior GBACC Officer,
- Consideration is given on project priorities, program outcomes and value for money
- The applicant and the Senior GBACC officer work together in developing the application, taking into consideration all assessment criteria, local priorities, program/ Ministerial priorities
- The application is considered by the Regional Development Sub-committee committee on all aspects, during its meeting, adding comments and criticisms to help improve any shortfalls in the application
- Final comments are drafted and accepted by the sub-committee and submitted to the full committee for ratification
- The project and GBACC comments are submitted to the Department
- Further clarification is sought for by the Department where necessary
- The project advice then comes back to GBACC regarding approval/ non-approval. This occurs at the same the applicant is advised.

## Terms of Reference (2)

### Examine ways to minimise administrative costs and duplication for taxpayers

Greater Brisbane ACC covers an area of currently 2,154 square kilometres, a population of 1,383,116 people, 0.5 percentage points greater than the National population growth average, and takes in 10 of the 40 disadvantaged areas ranked in the Vinson Report, “Dropping off the Edge”. The costs of engaging across such a diverse range of communities are minimal in relation to any perceived alternative to the Australian Taxpayer. This service arm to the community in providing project assistance has been vital in ensuring the rigor applied to these projects was met in each case.

- *Solution: Regional Development Australia (RDA) maintain and or/ broaden its service to community as a lower cost and high value option*

The most effective way to minimise administrative costs and duplication would be to simplify and clarify the entire process from program objectives through to assessment criteria to documentation to be completed.

- *Solution :Reduce red tape by:*
  1. Distinguish projects with a value greater than \$50,000 from projects below \$50,000
  2. Departmental approval (instead of Ministerial Approval)
  3. Increase percentage value of real and substantial “in-kind” contributions to capture soft resources (for example – professional/ trade/ unskilled labour can be sourced through utilisation **but** hard resources such as building materials require funding by the Government)
  4. Clear unambiguous guidelines for applicants
  5. Templates to assist applicants in the conceptualisation of projects, budget preparation and tools/ templates for their implementation
  6. Shorter processing time for applications, with more localised decision making input recognised by the Department and Ministers

The strength of the Regional Partnerships program was in having an on-going application process where there were no rounds. Projects are dependent on a range of variables incorporated in their project plan and milestones, especially around partnership funding and other funding source requirements

- *Solution: Develop and assess projects on an on-going basis , given the complexity of project mix and partnership budget timelines*

### Improved efficiencies would also be gained through the following range of solutions and strategies:

- The advocacy role by Greater Brisbane ACC/RDA by providing standardised Departmental processes and tools to *create a credible one-stop shopfront to the community*. RDA could act on other agencies behalf to tailor the most appropriate response to the community, rather than being the last resort to the community where all other project funding sources are not available. This would save time

and money for all of the stakeholders and Government agencies, at the same time bringing about faster response to local issues

- *A simplified and more consistent application process* that is *user-friendly* to all stakeholders, staff and applicants, where project progress can be tracked throughout the system
- *Simplified tools* to avoiding issues around core business and cost-shifting could be solved through one page templates and a merit assessment processes that could be applied through the RDA and its Regional Development Sub-Committee
- Issues around providing input to external assessments for larger projects could be further resolved through conferencing with the external assessor, the Department and the Greater Brisbane ACC/RDA to deal with issues and potential risks linking program and local knowledge. *Exchanges between departmental officers and RDA staff* would also bring about positive cross-fertilisation of ideas and professional development opportunities for officers
- *Setting up of an independent external board* that takes responsibility for deliberation and decision making on projects in a timely manner is essential. There may be a cost involved in forming a board, however this would be highly efficient in resolving project issues arising from projects taking too long to be approved (resulting in loss of drivers, momentum and project effectiveness)
- Cutting the budget at approval/ decision making stage ensures irreversible damage to a project. Applicants, ACC, Partners and Stakeholders are all accountable to the community to which the funds have been sought, where a great deal of planning is involved on a Bipartisan and multi-stakeholder level.
- Project costs blowout and contingency was not allowable under the budget for Regional Partnerships. It is essential to allow for inflationary contingency, particularly in projects involving construction and fit-out. The length of time for assessment and the budget attached to the timeline had been reflective of current quotes at time of project lodgement. The cost to applicants due to lost time has meant danger of loss of land tenure, danger of loss of partnership contributions and having to cut corners in the project, thereby also cutting back the cost of the project and hindering success. *The Government need to realise that time = money and that the losses are incurred mostly by non-profit organisations* with little extra resources or pockets of money to take into account lost time, contingency or project cut backs.
- Need a more effective mechanism to highlight star performing projects in all areas across all regions to educate everyone – members, staff, stakeholders and the public. National media releases by the Minister relating to approved and successful projects should be part of a quarterly process as part of a *National Communication strategy*. Similar strategies are adopted by other State run funding programs such as the ‘Jupiters’ community benefit State Government Trust fund, where successful project details are released on a quarterly basis to the media.

Finally and most importantly, efficiencies should not compromise a quality project that provides quality outcomes to its community of need.

### Terms of Reference (3)

#### **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**

Drastic changes were introduced in line with ANAO recommendations which commenced in 2006. These changes included:

- Centralised assessment in Canberra;
- E-grants on-line application processes that had:-
  - System issues – unworkable for applicants who did not have the system requirements
  - User familiarity issues – the previous “Microsoft Word” application was much easier for applicants to use than the new system
  - Software development issues – unable to input comments into the system and unable to track the project
  - The Project developers did not create the tracking and project management system that was offered to assist ACC Senior Officers in the field. What could have been a really worthwhile system enhancement, did not eventuate
- Clearer guidelines for the staff and applicants were released, which improved the submission process but not the decision-making process
- Ministerial Approval was increased from single Minister Approval to a Ministerial Committee of 3 to approve projects of all values. The process had become more transparent, but slowed down the process of approval because of the need for consensus was more long winded than a decision made by one Minister

#### **Suggested changes to practice:**

- *Replace the Ministerial Committee* with a Grants Committee/ Professional Board comprising of 6-8 committee members based in Canberra with a range of expertise on economic development, community development, governance etc
- *Grants committees for less than \$50,000 projects* could include senior departmental officers and paid officers from the RDA Network on exchange (value adding to the assessment and project development process) – GBACC has a credible process of pre-assessment and recommendation as outlined previously.
- *Standardised tools and templates, highlighting regional rural and regional metro assessment methodologies* (outcomes differ in both situations uniquely and there should be new measurements to success to reflect these)
- Negative changes as a result of the ANAO recommendations – longer time needed for all projects. Projects in some cases reached decisions averaging up to 14 months each. The quickest turnaround was 13 weeks. The longest decision took 89 weeks for a large project and 52 weeks for a \$25,000 project. Departmental assessment and Ministerial Decision-making times were all inclusive so that the ACC or the applicants were not to be informed in assessment phase on progress.
  - *Suggestion – on-line tracking system that advises the stage of assessment viewable to applicant organisation and the RDA, or Departmental service standards / communication strategy and protocols to address this issue.*
- Discretionary grant processes were not applied under the predecessor to Regional Partnerships program, the Regional Assistance Program were decisions made by the Departmental Delegate.



#### Terms of Reference (4)

#### **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**

The GBACC has a positive record in assisting the Government through the identification, development and recommendation of several genuine and accountable economic and community projects and is gravely concerned at the current situation where there were sixteen projects under development and assessment to May 2008 and one project that has been **de-approved** after two years of rigorous process by the Department and the previous Government.

Brisbane Marine Industry Infrastructure Project – Assessment time 78 weeks, approved September, 2007 and subsequently “**de-funded**” by the current Administration has cost our community in terms of a shared resource within a “recession proof” Industry, jobs, businesses and local prosperity. An industry need was identified for greater lifting capacity to attract the emerging “Super and Mega Yacht” owners to the region for refit and construction work. The local marine industry cluster (of nearly 100 local small and medium enterprises) could not afford to purchase the 650 tonne Travel Lift as a common use facility alone. Viking Industries as a commercial entity could not viably purchase this vital piece of infrastructure where “user pays” would be too cost prohibitive for the small marine operator. This is where Regional Partnerships funding would have responded with genuine and accountable infrastructure providing a range of benefits to the community:

- Feedback from the Industry indicates that up to 500 jobs and skilled workers have been **lost to the region** and tens of \$millions of export revenue dollars has been **lost to overseas**.
- Further impacts extend to Tourism with a 60-70% reduction in Super Yacht visitations through International Industry networks communicating that we are unable to meet their needs.
- The decision to not fund “commercial” project applicants needs to be further examined. In the right situation, commercial applicants can play a vital role in a project's long term sustainability, economically and socially.

Departmental Key Performance Indicators (KPI's) imposed on the GBACC and other ACCs was not an equitable process. GBACC did not achieve the interdependence and joint accountability in meeting whole of program objectives as the Department did not meet its Approvals KPI. The GBACC is highly outcomes focussed. Senior Officers within the GBACC were under extreme pressure to meet the organisational outcomes KPI imposed by the previous Government Administration, yet in most cases, project approvals took far longer than the stated 12 week Departmental KPI.

ACC senior officers were accountable to the members, stakeholders and communities, whilst the Government were not accountable for providing any information throughout the entire assessment process. The only response given in the process was that while a project could have been ‘held up’ with a Minister or ‘awaiting further clarification’, we were not privy to any stage of assessment. Letters were sent to applicants apologising for delays, yet this still had no place in local planning under rigid KPI's that were in local ACC business plans adding to further frustrations.

In earlier years of the Regional Partnerships Program, the GBACC had notional allocations of \$300- 400k worth of project approvals to the region. A KPI then required the GBACC to develop higher value partnership projects totalling \$1.5million to projects through Regional Partnerships to higher value, including a *KPI for 1 Commercial Project per annum*. GBACC in good faith facilitated and supported the Viking Industries project (refer terms of reference (1)) in that it was an excellent example of industry development to our region, providing key infrastructure for common use. What was once considered to be an important KPI imposed by the previous Government's administration for the GBACC to meet has been subsequently *abandoned by this current administration after it was finally approved after a lengthy rigorous process* by the Department following the ANAO audit.

Further input to the submission is as follows:

- Centralised assessments in National Office is a fairer and more consistent process because all submissions are assessed on the same benchmarks
- External assessments need more feedback dialogue during the assessment process especially where external assessments/ audits are involved (for example – six months lost in a process due to lack of dialogue between a recent project causing the project to be rejected. Once a decision was provided with feedback, then applicant was able to respond and when re-assessed, the project was approved.)
- KPI's (Key Performance Indicators) in the past took into account the capacity to spend project funds against valuing the organisational KPI's of the Area Consultative Committees as a primary objective to determining and measuring success and effectiveness of individual ACC's. This did not take into account other ways of creating local value delivered to the community by the GBACC.
- Need a clearer understanding on Local Government as applicants and the “cost shifting” criteria that was applied under the Regional Partnerships and that could be applied under the new regional funding program.
- The GBACC model inclusive of its Regional Development Sub-Committee – comprised of local community leaders, volunteers and stakeholders representative of the diversity within the community is integral in feeding local information upstream to National Office

The key to success in the new future regional funding program will be to find the balance between rigor and speed in seamless processing of good applications.

Finally, Greater Brisbane ACC prides itself on having had a very good relationship with the Departmental Regional Office Management and Staff and have enjoyed a long and helpful alliance with the Brisbane team. The issues that are highlighted here are not consequential from the work and commitment by the Departmental staff, but more so on processes and protocols that were imposed from the previous Government Administration.

We look forward to working with the new Government in finding new ways to mobilise real-time solutions to emerging issues and value-add to local and national priority projects in a way that that is efficient, effective and highly rewarding to all stakeholders in our Region.