

**TOWNSVILLE CITY COUNCIL**

**Submission**

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

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

**July 2008**

## Submission by Townsville City Council for Inquiry into a New Regional Development Funding Program

### Introduction

Townsville City Council welcomes the Federal Government's commitment to delivering community infrastructure for regional Australia. It looks forward to the introduction, in 2009-10, of a new *Regional and Local Community Infrastructure Program*, as announced by the Minister for Infrastructure, Planning Regional Development and Local Government.

The new funding program will be a vital part of securing better services, and of sustaining the development of rapidly-growing urban centres throughout regional Australia.

Council's submission on the establishment of this program focuses principally on the Inquiry's first term of reference, which is to:

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

The Inquiry's remaining terms of reference apply principally to administration and the management of the previous Regional Partnerships program, including its review by the Australian National Audit Office.

In this regard, the establishment of future administration and management procedures are ultimately the responsibility of Federal agencies. Townsville City Council, however, supports the implementation of the highest standards of transparency and accountability within the new program for regional funding.

It also affirms that the particular management problems of the previous Regional Partnerships program should not diminish the need to provide stronger funding support for communities in regional Australia.

Council's submission is thus divided into three sections:

- Section 1 outlines the contribution of the previous Regional Partnerships program to the Townsville area.
- Section 2 outlines planning priorities in the Townsville area that would benefit from the new regional development program.
- Section 3 outlines Townsville City Council's recommendations for the future scope and capacity of the new regional development program.

The previous Regional Partnerships program successfully supported important community infrastructure projects in the Townsville area. While affirming improved measures for the management and administration of funding, Townsville City Council affirms that the new regional program must have the capacity to support planning and to fund major infrastructure projects.

## **Section One: Significance to the Townsville Area of the Regional Partnerships Program**

The original objectives of the Regional Partnerships program were to: stimulate growth in regions; improve access to services; support planning; and help communities make structural adjustments in regions affected by major economic, social or environmental change.

Under these objectives, the project funded a number of projects in the Townsville area.

Among the most significant was a \$6 million contribution received by the Thuringowa Riverway-Pioneer Park Sport and Recreation Centre project. The funding was used to design and construction of an AFL and cricket stadium, incorporating a 1000 seat grandstand.

The Riverway Stadium subsequently opened in December 2007. It has become a key venue of a precinct that annually brings together more than 500,000 people to participate in a cultural events and community and sporting activities.

In addition to Riverway Stadium, \$3.3 million of Regional Partnerships funding was also granted as part of the \$23 million project to upgrade facilities at the Murray Sports Complex. The funding is specifically scheduled for the construction of a new Indoor Sports Centre. The Murray Complex is the largest multi-sport precinct in the Townsville area.

In both the cases above, Regional Partnerships funding has been vital in delivering major facilities and new community infrastructure. The Murray Complex upgrade, for instance, will provide new access to sporting facilities of a metropolitan standard, and inject more than \$26 million into the area's economy. Accordingly, it will underpin the financial viability and growth of many local sports, including Australian Rules Football, Basketball, Cricket, Football and Hockey. The new Indoor Sports Centre, alone, is set to inject more than \$6million per annum into the Townsville economy.

## **Section Two: Significance to the Townsville Area of Future Regional Development Funding**

In March 2008, Townsville City merged with the neighbouring City of Thuringowa. More than 170,000 people now live within the new Townsville authority.

Townsville is presently undergoing rapid economic and population growth. The city's total urban population is forecast to exceed 200,000 in 2013 and 250,000 in 2022. By 2019, there will be more than 100,000 dwellings in the city area.

Over the next decade, Townsville must develop infrastructure to support almost double the real economic activity of today. Planning and infrastructure priorities include:

- improving services for transport, health and education
- improving housing choice and affordability
- protecting the built and natural environment
- building safe and inclusive community spaces
- strengthening retail and business opportunity
- undertaking planning to support these priorities

The support of the Federal Government – and a strong, regional development program - will be critical to the achievement of these priorities. There is an increasingly severe strain on the resources and funding available to Councils to undertake the

infrastructure and planning work necessary to sustain community prosperity in the face of rapid economic and population growth.

In a more immediate sense, several initiatives are currently underway in Townsville that would benefit directly with assistance from the new regional development program.

These include the Water Supply and Wastewater Upgrade Project: a \$300 million construction program to improve and build new treatment facilities across the Townsville area. The Upgrade Project is essential to guaranteeing the long-term security of water supplies in Townsville, in the face of the City's strong population and economic growth.

A further key initiative is the revitalisation of Townsville's historic Flinders Street precinct. Townsville City Council intends to redevelop the pedestrian mall that presently operates along the centre of the Street. The Mall has declined as a civic space because of falling patronage and investment, poor retail quality, and a perception it is unsafe and unattractive. There is strong support for its redevelopment among the City's business community and residents.

Council's vision for Flinders Street to create a new main-street environment that will underpin the growth of Townsville's CBD and restore the community's engagement with the heritage and recreational values of the precinct. Council is committed to completing the redevelopment project by the end of 2010.

In addition to funding specific infrastructure projects, the new regional program also has the potential to support increased strategic planning. Townsville City Council is currently partnering with neighbouring North Queensland councils to develop a comprehensive regional plan that will set out the delivery of long-term economic objectives and projects for the region. The proposed North Queensland Region Plan will be derived from extensive consultation and collaboration between government, business and local stakeholders. Funding assistance from a new regional development program would ensure the Plan's establishment.

### **Section Three: Recommendations for the Scope and Capacity of a New Regional Development Program**

Townsville City Council supports an ongoing focus on local consultation that was a core feature of the previous Regional Partnerships program. Collaboration between the Federal Government, councils and local communities is fundamental to delivering major infrastructure reforms. Townsville City Council considers that the local Regional Development Australia (RDA) organisations should remain significant providers of funding advice and project evaluation.

Townsville City Council supports an open application process for the new regional development program - especially in the provision of funding for major projects. On this issue, Council acknowledges the opposing conclusions of the Australian National Audit Office, which argued that structured competitive rounds for applications may allow greater equity and better evaluation of funding projects. An open application process, however, provides flexibility and supports the provision of funding within the particular time constraints and construction schedules of major projects. Council thus recommends that opportunity is retained for appropriate projects to seek funding under an open application process.

Townsville City Council supports the formulation of clear program objectives and criteria that distinguish between the distinct requirements of communities and organisations across regional Australia. In particular, the new regional program should possess a specific capacity to assist infrastructure and planning for rapidly-growing

urban centres and their communities. As a basis for ensuring such a capacity, the landmark Building Better Cities program provides a useful model. Operating between 1991 and 1996, the Building Better Cities program developed integrated planning for selected areas in regional cities. Its objectives were to increase the capacity of city areas to: achieve economic growth and environmentally sustainable development; and to improve social services and the urban environment.

The incorporation of a comparable focus within the new regional development program would greatly advance the completion of genuine and significant infrastructure projects.

Townsville City Council, therefore, makes the following recommendations for the establishment of a new regional program that will provide genuine and accountable community infrastructure:

- that local Regional Development Australia (RDA) organisations be supported as non-political, advisory groups responsible for identifying and assessing funding projects.
- that the new program retains the opportunity to seek funding for major projects within an open application process.
- that the new program's criteria recognise the different priorities of communities and local organisations across Australia. The new program should establish clearly-defined project funding objectives relevant to these communities and organisations.
- that the new program supports greater collaboration between Commonwealth, State and Local Governments, and has the capacity to facilitate jointly-funded regional projects.
- that the new program has the capacity to support major infrastructure, and stronger planning for economic and environmental sustainability. For instance, the new program should give particular support to the infrastructure and planning priorities of high-growth urban communities throughout regional Australia.

## **Conclusion**

Townsville City Council is keen to partner with the Federal Government to build stronger services and infrastructure for regional Australia. The previous Regional Partnerships scheme helped deliver major projects for the Townsville community; and the creation of a new program will be fundamental to planning for the City's future growth.

Townsville City Council recommends that the new funding program recognise the unique requirements of regional communities across Australia, including the needs of high-growth urban centres.