



File Ref: T60/0200/01

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

7th July 2008

Dear Sir / Madam

Inquiry into a New Regional Development Funding Program

Strathbogie Shire Council is a small rural North East Victorian Council. Like most small rural Councils throughout Australia, we have a large infrastructure gap. And, as identified by the Federal Government Productivity Commission Review, with no capacity for our community to fund that gap. As such, the former Regional Partnerships program was crucial in providing any opportunity for small Councils to establish new infrastructure projects for its community. Council had an application into the former Regional Partnerships program entitled 'Progressing Euroa' for improvements to Euroa's Seven Creeks Park precinct and the establishment of a Visitor Information Centre. Council had secured funding from the State Government's Small Towns Funding Program and, matched with Council and community funds, was looking for support from the Federal Government. With the cessation of the Regional Partnerships funding, our community is bitterly disappointed that this project will now not proceed. The Federal Government does not appreciate the effort made by small rural Councils in having to fund the consultancies to develop concept plans, undertake community consultation and then fund further design engineer consultancies to enable submission to the Federal Government. The previous process of ensuring that projects are investment ready are a prohibitor to small rural Councils making applications as they simply do not have the up front funds just to get an application in. Indeed, even after committing such funds, the Federal Government approvals process is inordinately long and it is not uncommon to not have any response within twelve months.

The Federal Government Inquiry should consider investigating State Government Regional Development Victoria's process for Small Towns Funding. Indeed, Councils are given feedback on the likely success of funding very early on before very precious Council funding is expended to the application stage. In addition, the timelines for advising of how successful an application has been is usually within the order of two months. As such, Council commends the Federal Inquiry to consider a process similar to that used by Regional Development Victoria for its Small Towns Victoria Funding Program.

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As previously mentioned, small rural Councils with large infrastructure gaps do not have much chance of undertaking many projects to improve the quality of life for their communities. As such, it is recommended that any review should ensure that funding is for rural Australia only, and not opened up to the richer city and interface Councils who have the resources to make quality applications to the detriment of small rural Councils.

The Federal Government Inquiry should also consider exploring ways that genuine three-way partnerships between the Federal, State and Local Governments could be established with respect to the development of individual projects to ensure maximum co-operation and leveraging of funding. Council's previous application and experience of this has been very poor, to say the least.

Council thanks you for the opportunity to make a submission to the Inquiry.

Yours faithfully



Kevin J Hannagan
CHIEF EXECUTIVE OFFICER

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