

8th July 2008

The Secretary
Standing Committee on Infrastructure, Transport,
Regional Development and Local Government
House of Representatives
Parliament House
Canberra ACT

Submission to the Federal Parliament Inquiry into a new regional development funding program

The South East (NSW) Area Consultative Committee (Seacc) welcomes the opportunity to make a submission to this Inquiry.

Seacc is a community-based organisation that for over twelve years has worked with a broad cross section of the South East NSW community. In this time the membership of Seacc's voluntary board has included many representatives of local government, the not-for-profit sector, business and industry, the Aboriginal community and the education sector. During this time Seacc has gained a great deal of experience in the promotion and facilitation of Commonwealth Government funding programs, such programs can be of enormous value to regional communities however the extent of that value depends directly on a number of key issues.

- Accessibility
- Equity
- Timeliness
- Technology
- Relevance
- Strategic

Each of these issues needs further explanation:-

1. Accessibility

Rural/regional communities in SENSW, with the exception of pockets of population in the Snowy River Shire, have uniformly low socio-economic profiles, the financial capacity of our communities is consequently very limited. Our communities are generally small and isolated with little or no access to public transport and high fuel costs. Further, our experience over many years with a variety of funding programs has shown that the capacity of community groups and businesses to complete increasingly complex application forms is for the most part extremely limited. It should be noted that as the only 'local' organisation Seacc assists business & community including Local Government in applying for a wide range of Federal/State Government and private philanthropic grants.

To address this issue there needs to be:-

- face to face expert assistance available through every step of the funding cycle that is locally based and can 'go to' the applicant
- simple, clear, unambiguous guidelines and reporting systems
- accommodate a range of computer operating systems

2. Equity

Our communities are in general terms moderately to highly disadvantaged, an all too common condition in rural/regional Australia. In sheer numbers alone we lack the population density to command the attention of decision makers at all levels, yet our value to the Australian community both in strategic and economic terms far exceeds our numbers. Take home wages and education levels are low, however community spirit and levels of volunteering are high.

To address issues of equity there needs to be:-

- a more strategic approach adopted to the allocation of grant funds with a weighting for disadvantaged communities
- relaxation of cash co-funding requirements particularly for disadvantaged communities and greater recognition of in-kind and on-going maintenance and administration costs
- a program budget that is generous and flexible and adequate to meet funding needs

3. Timeliness

This is a key aspect to providing grant funding assistance to any community and one that has been an on-going source of frustration with the Regional Partnerships Program; it has never been satisfactorily addressed. Community groups and organisations deal in immediacy; their projects happen in real time and rely heavily on the contributions of volunteers and other in-kind support. Developing up a project is hard work and requires enormous commitment, this commitment once given needs to be actioned within a reasonable time-frame. In addition quotes and costings are not frozen in time when an application is lodged, delays cause cost blow-outs which disadvantaged communities can't cover.

To address this issue there needs to be:-

- an assessment process that is transparent, answerable and expedient
- a streamlined assessment process for small grants ie. <\$50,000
- a program that is not 'discretionary' (every time the Minister was changed the program ground to a halt), applicants should be aware that their applications are independently assessed and funding awarded on the basis of the projects community/economic benefits
- a maximum 3 months from lodgement to decision and notification

4. Technology

Access to broadband and other modern technologies in rural/regional communities is problematic whilst you can always buy the hardware you are not always guaranteed the service. Importantly you can seldom guarantee that the potential applicant has the skills and knowledge to work their way through complex 'on-line' applications without 'on the ground' assistance. In every instance Seacc has provided extensive assistance to applicants in interpreting the guidelines, writing of the application and provision of a data entry service.

To address this issue there needs to be:-

- expert 'face to face' local assistance for applicants
- an acceptance that 'one size' doesn't fit all, applicants need options
- technology that is thoroughly tested before it is implemented

5. Relevance

If a grant program is going to deliver real and measurable benefits both economic and social to rural/regional communities it must be relevant to community needs and priorities. A constant complaint Seacc receives from potential applicants is that they can't find a grant program that 'fits' their project.

To address this issue there needs to be:-

- a flexible program that is not over prescriptive and recognises and attempts to address the complexities of rural/regional needs
- a competitive funding program which accepts and assesses applications on an on-going basis
- a funding program that is not obsessed with 'cost shifting', too many potentially valuable projects wither and die on the vine because they are perceived to be someone else's 'responsibility', often local government whose financial capacity is very limited

6. Strategic

Across Australia the Federal Government invests hundreds of millions of dollars annually in a complex and confusing array of grant programs in an often ad hoc and unconnected way. An investment of this magnitude demands that in order to address priority issues, minimise overlap and maximise benefits there must be an authoritative and representative regionally based, centrally administered body responsible for the coordination of government grant funding. This body, nominally Regional Development Australia (RDA) and built around the ACC network would work with all levels of government to ensure that regional and sub-regional outcomes address a range of proscribed criteria based on prioritised need, value for money and sustainable benefits.

To address this issue there needs to be:-

- an adequately resourced regional network of RDA offices aligned with appropriate groupings of local government areas
- an RDA committee with membership that has experience and expertise representative of its core regional development functions
- RDA to act as a conduit for federal government grant applications
- rationalisation of the number of current grant programs ie. group existing grants under the headings of economic, social and environment and unless there are exceptional circumstances to address have one broad based grant program for each category
- priority given to projects that address the local RDA strategic plan
- recognise that good community infrastructure forms the basis for strong, vibrant communities and encourages growth
- despite the inherent difficulties in accommodating applications from the private sector the strategic support of business provides much greater opportunity to create real jobs, a more effective program/strategy to support the private sector needs to be developed in order to stimulate regional economies.

Despite its problems the Regional Partnerships Program was a popular and effective community development tool in the Seacc region. At the time of its demise Seacc had 29 projects lodged and in assessment and a further 15 projects being prepared for lodgement, given that level of uptake it would be inaccurate to say that all aspects of the program were bad or failed to meet its objectives. Undoubtedly several aspects could have been better managed, the overwhelming majority of which occurred at the Department National Office or Ministerial level primarily because of inherent program design faults. Seacc considers barriers to functionality to include:-

- the discretionary nature of the program (ie. the Minister/s decide)
- insistence on significant cash and partnership co-funding
- lack of transparency in the assessment process
- an unreasonably long assessment process
- regional partnerships regarded as a program of 'last resort', not as a true regional development tool
- poorly designed and tested data input programs
- lack of flexibility and a DoTaRS National Office that paid 'lip service' to the concerns of the ACC network regarding the effectiveness and accessibility of the program. Despite the introduction of a 'streamlined' process for grants < \$50,000 no overall improvement in accessibility or speed of assessment was ever noted by Seacc.

Yours sincerely,

Greg Malavey
Chair