

# Chapter 11

## Conclusions and Recommendations

### Summary

11.1 The Committee's inquiry into the regional programs has served as a general study of the importance and benefits of compliance with robust guidelines and the pitfalls of bypassing proper checks and oversight measures. Evidence to the inquiry shows that the main processes by which projects are proposed, considered and approved for funding under the Regional Partnerships Program are reasonably sound, although there is scope for building more rigour into the governance framework. However, the case studies in this report are telling. In instances where the usual processes for developing and assessing applications have been bypassed or truncated, or the department employed the (then) unpublished SONA procedures in order to allow projects to become eligible for RPP funding, projects have stalled, collapsed or attracted controversy.

11.2 The Committee considers that administration of the RP program can be improved by requiring adherence to the usual application development and assessment processes and tightening these measures. Guidelines and procedures which deliberately create flexibility or ambiguity and thus allow projects to avoid the program's usual criteria and administrative processes should be removed.

11.3 The processes and procedures of the Sustainable Regions Program would also appear to be broadly sound. However, the Committee's examination of SR projects in the Atherton Tablelands region highlighted problems arising from an insufficiently representative SRAC structure, opaque processes for appointing SRAC members and a lack of transparency around application processes.

11.4 In general terms, the Committee's findings point to the importance of strengthening the governance framework for both programs with improved accountability and transparency measures. Regular reporting to the Parliament and greater openness at several levels around decision making within these programs would improve monitoring and scrutiny of funding decisions and administrative practice. This is crucial to enable the Parliament to keep itself informed of a significant area of public expenditure, and would serve as a check on arbitrariness and politicisation of funding decisions. Stronger accountability measures are equally important for good management of these programs at the levels of departmental administration and consultative committees.

## **Regional Partnerships Program**

### *Program administration*

#### *SONA guidelines*

11.5 As discussed in the case studies of the report, the SONA procedures have been employed by DOTARS to allow projects which do not meet the RPP eligibility and assessment criteria to be approved and funded from the program. For example, the Primary Energy project was clearly ineligible for RPP funding. Regardless, following a ministerial request, the project was funded by using the SONA procedures. The SONA procedures appear to provide so much flexibility that the government could, in effect, fund from RPP almost any project it favours that is loosely relevant to regional development.

11.6 The ANAO's *Administration of Grants Better Practice Guide* states that 'Criteria for eligibility should be straightforward, easily understood and effectively communicated to potential applicants'.<sup>1</sup> The SONA procedures were only made publicly available after the program became subject to intense scrutiny in the Parliament with the Government under pressure to explain some of its funding decisions. Prior to this the SONA procedures had limited circulation via an internal procedures manual only available to relevant DOTARS employees and to members and staff of the ACCs. Even then, as demonstrated at the Committee's hearings, the procedures were not commonly known or understood by ACC chairs and executive officers. Applicants, as in the case of Primary Energy, were left in the dark about the existence of the procedures and that they had been used to approve funding for their project.

11.7 The SONA procedures represent a major accountability black hole. They expand the scope for departmental and ministerial discretion to unacceptable limits, providing a default to fund projects in an arbitrary fashion and undermining the integrity of the program. The Committee considers that the reasons for having room in the program to fund worthy projects that do not conform to funding criteria can be better met through other mechanisms, which are discussed below. The Committee considers that the SONA procedures should be withdrawn from operation.

### **Recommendation 1**

**11.8 The Committee recommends that the operation of the SONA guidelines cease.**

#### *Area Consultative Committees*

11.9 As discussed in chapters 2 and 3, DOTARS encourages proponents to contact the local ACC to seek assistance in developing and submitting RPP applications.

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1 ANAO, *Administration of Grants Better Practice Guide*, May 2002, p. 20.

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However, applications can be lodged directly with DOTARS, as occurred in the case of several contentious projects.

11.10 The Committee considers that involvement of the ACCs in the application development process is an important safeguard for the RPP program. Several ACCs advised the Committee that they would not put applications forward to DOTARS unless they were of an acceptable standard and complied with criteria in the guidelines.

11.11 As demonstrated in the case studies to this report, where applications have not been developed in consultation with the relevant ACC, subsequent problems have arisen. In the case of Tumbi Creek, Wyong Shire Council was advised by a ministerial staffer to submit the applications directly to DOTARS. The Council did not consult the relevant ACC prior to lodging the applications and, as discussed in Chapter 5, the submitted applications were of very poor quality. In the case of Beaudesert Rail, the decision to give an RPP grant was made at the political level, with no involvement from the relevant ACC.

11.12 The Committee considers that allowing proponents to lodge applications directly with DOTARS leaves the application process open to undue pressure and political intervention to expedite lodgement of applications, at the expense of sound project and application development.

11.13 In comparison, the application process for SRP is less open to abuse. Proponents are required to first provide an expression of interest to the relevant SRAC. SRACs then invite proponents of suitable projects to lodge a full application. This process ensures that SRACs are consulted in relation to the development of all SRP applications.

11.14 Evidence to the inquiry from the department and many of the ACC chairs and executive officers emphasised the important role of ACCs in providing comments on applications from their region. ACC comments were viewed as an important source of independent advice and a means of assessing the local priority given to each project.

11.15 As discussed in the case studies of this report, in some instances the ACC's assessment of an application was not provided to the minister for consideration or the ACC had not been given sufficient time by DOTARS to provide an informed assessment.

11.16 In the Committee's view, the rigorous assessment procedures employed for many RPP projects are undermined by the examples where the ACC assessment role has been truncated or bypassed due to pressures to expedite grant approvals. The automated referral of applications to ACCs for comment has limited value if procedures are not adopted to ensure adequate response times are given and that the ACC assessment is actually passed on to the decision maker. ACC assessments should be an integral part of the decision making process for all applications, not an optional element that can be bypassed depending on circumstances.

11.17 There is less scope for the advisory committee's assessments to be bypassed or timeframes truncated in the SR program because SRACs provide advice directly to the minister.

### **Recommendation 2**

**11.18 The Committee recommends it be mandatory for all Regional Partnerships program applications to be developed in consultation with local Area Consultative Committees.**

### **Recommendation 3**

**11.19 The Committee recommends that Area Consultative Committees must receive copies of relevant applications and be afforded an opportunity to consider and make recommendations not less than ten working days from receipt of the application.**

#### *Multi region projects*

11.20 The Committee considers that consultation with the ACCs is an integral part of RPP application development and should be mandatory for all applications. Notwithstanding, the Committee recognises that collaborative and multi-region projects should be supported by regional development programs and that these may not easily align to one ACC region.

### **Recommendation 4**

**11.21 The Committee recommends that the Department of Transport and Regional Services incorporates and outlines appropriate assessment procedures for multi-region funding applications into the published Regional Partnerships program guidelines.**

### **Recommendation 5**

**11.22 The Committee recommends that multi-region funding applications be referred to all relevant Area Consultative Committees for review comments and recommendations.**

#### *Funding decisions*

11.23 As described throughout the report, the decision to fund or not to fund RP projects is taken by the relevant minister and should be informed by at least two sources of advice: the advice of the department and the priority rating of the relevant ACC. Chapter 2 noted that there have been a number of cases in which the minister's decision did not accord with the department's advice. As discussed in Chapter 3, some stakeholders are of the view that funding decisions are too arbitrary and that due weight is not given to the relevant ACC's advice.

11.24 The ANAO's *Administration of Grants Better Practice Guide* specifies that a record of the reasons for grant decisions should be maintained and be publicly accessible:

Appraisal forms or some other systematic process should provide for the recording of reasons for decisions and recommendations to demonstrate the process had been rigorous and transparent. They should be maintained consistently as part of the official record...and be accessible under Freedom of Information provisions.<sup>2</sup>

And later:

In particular, the reasons for the departures from agreed appraisal procedures or decisions that are contrary to recommendations of officials or other expert panels and advisers should also be properly documented. ... The retention and availability of these records protect all those involved in the selection process against any suggestion that projects have not been selected on their merits.<sup>3</sup>

11.25 The Guide also makes relevant observations regarding the accountability of ministerial grant decisions:

Where individual Ministers or groups of Ministers make administrative decisions or judgements involving the meritorious selection of one application over another, documentation, recording the appraisal process and the reasons for selecting particular applications would aid program transparency and public accountability.<sup>4</sup>

11.26 In the Committee's view, RPP funding decisions currently lack transparency. While the Committee was informed that all funding decisions are auditable by the ANAO,<sup>5</sup> documents informing the decision and recording the decision outcome are not open to public or parliamentary scrutiny. This is a fundamental gap in the accountability and transparency of the program and one that leaves RP vulnerable to perceptions of politicisation, if not exposed to political bias and circumvention of proper process. The Committee considers that accountability of RP funding decisions would be strengthened if basic information about the funding recommendations and decisions were open to public and parliamentary scrutiny.

## **Recommendation 6**

**11.27 The Committee recommends that a biannual statement be tabled in the Senate by the Minister representing the Minister for Transport and Regional Services, listing:**

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2 ANAO, *Administration of Grants Better Practice Guide*, May 2002, pp 22-23.

3 ANAO, *Administration of Grants Better Practice Guide*, May 2002, p. 47.

4 ANAO, *Administration of Grants Better Practice Guide*, May 2002, p. 23.

5 DOTARS, answers to questions on notice, received 11 May 2005, p. 3.

- **the Regional Partnerships program grants approved in the preceding six month period;**
- **the Department of Transport and Regional Services' and Area Consultative Committee's recommendations; and**
- **where the funding decision is inconsistent with the departmental and/or Area Consultative Committee recommendation, a statement of the reasons for the decision.**

### *Distribution*

11.28 The ANAO's Administration of Grants Better Practice Guide states:

Grant administrators should be aware that geographic and political distribution of grants may be seen as indicators of the general equity of the program.<sup>6</sup>

11.29 As discussed in Chapter 2, while the proportion of RP grants approved is similar across Government, Opposition and Independent electorates, there are substantial differences in the number of projects put forward and amount of funding approved. The Committee asked DOTARS to consider, in consultation with the ACCs, possible reasons for the difference in the number of applications coming forward across electorates. In May 2005, the department advised that it 'is currently looking at options for including this issue in future evaluation activities for the programmes'.<sup>7</sup>

11.30 The Committee expects DOTARS to report to the Committee both the option it adopts for assessing this issue and the results of the evaluation. The Government should examine the evaluation results and identify mechanisms to address the equity of funding distribution.

### **Recommendation 7**

**11.31 The Committee recommends that the Government address inequities in the distribution of Regional Partnerships program funding consistent with the ANAO Better Practice Guide.**

### *Eligibility*

11.32 As discussed in Chapter 2, local government bodies are eligible to apply for RPP funding. However, ACT government which performs both state and local government functions is ineligible. The Committee considers that ACT government departments should be allowed to apply for RPP funding for projects that would otherwise be eligible under the RPP guidelines.

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6 ANAO, *Administration of Grants Better Practice Guide*, May 2002, p. 22.

7 DOTARS, answers to questions on notice, received 11 May 2005, p. 4.

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## **Recommendation 8**

**11.33 The Committee recommends that the exclusion of the Australian Capital Territory government from eligibility for Regional Partnerships program funding be rescinded.**

### *Area Consultative Committees*

#### *Funding*

11.34 It was evident to the Committee that effective and dedicated executive officers and ACC staff are integral to delivering outcomes through RPP. In numerous submissions the Committee received evidence of the commitment of ACC chairs, executive officers, staff and volunteers to delivering successful RPP projects. At hearings ACC staff demonstrated their in-depth knowledge and commitment to local projects and dedication to following and supporting projects beyond the initial funding. It is necessary that ACCs are adequately resourced to engage skilled staff and to operate effectively in their region.

11.35 The committee has not had the opportunity to assess the operational funding allocated to each ACC, or to discuss with all ACCs their operational requirements. However, the concerns raised by some ACCs regarding the costs of operating in different areas are noteworthy and point to limitations in current ACC funding arrangements.

11.36 The Committee also considers that the ACCs' current annual funding arrangement does not give ACCs the opportunity to strategically plan their short to medium term operations. A three-year funding cycle would allow ACCs to plan their activities and operations more effectively.

## **Recommendation 9**

**11.37 The Committee recommends that the Government review resourcing of Area Consultative Committees, and training for committee members and employees, to ensure that they can adequately perform their role in relation to Regional Partnerships program.**

## **Recommendation 10**

**11.38 The Committee recommends the introduction of three-year operational funding contracts for Area Consultative Committees.**

### *Performance assessment*

11.39 As discussed in Chapter 3, evidence to the inquiry indicated that the employment focussed aims and performance measures for RPP do not meet the development needs of all regions. The Committee also heard that the partnership funding targets of the program are prohibitive for some communities. Yet, as evident in the case studies, expected levels of partnership support have been waived for some high cost projects with political profile.

11.40 The Committee considers that the Government should examine the concerns raised during this inquiry regarding RPP outcomes and performance measures. There is scope for DOTARS to further negotiate with ACCs to ensure that each ACCs' Key Performance Indicators (KPIs) are appropriate for their region.

### **Recommendation 11**

**11.41 The Committee recommends that the Government negotiates with each Area Consultative Committee in relation to key performance indicators, including job creation and partnership support, to ensure performance measures are regionally appropriate.**

#### *Area Consultative Committee recommendations*

11.42 The ANAO's Better Practice Guide notes that accountability and transparency is increased when the reasons for decisions about successful projects are made publicly available. The Guide also observes that it is important that unsuccessful applicants have access to the reasons their applications were not approved. In the ANAO's words, 'together with the publication of reasons for selection of successful projects, this [information would assist] applicants in preparing any future application'.<sup>8</sup>

### **Recommendation 12**

**11.43 The Committee recommends that Area Consultative Committee recommendations be disclosed to funding applicants upon request.**

#### *Review*

11.44 As noted in Chapter 3, the Committee questions whether the contribution of some ACCs to the RP program is effectively encapsulated by the roles and functions currently specified. The Committee also questions whether the currently defined roles maximise ACC members' contribution to the program.

### **Recommendation 13**

**11.45 The Committee recommends that the Government conduct a review of the role of Area Consultative Committees to ensure that their contribution to regional development is maximised.**

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8 ANAO, *Administration of Grants Better Practice Guide*, May 2002, p. 48.



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## Sustainable Regions Program

### *Sustainable Regions Advisory Committees*

#### *Appointment method*

11.46 As discussed in Chapters 9 and 10, the Committee was unable to examine the process by which the minister selects and appoints SRAC members. In view of the serious concerns within the Atherton Tablelands region about the structure of ATSRAC and interests of its members, there is a clear cut case for greater exposure and transparency of the appointment process. As SRACs are intended to represent local interests and concerns, at the very least the process by which they are constituted and members selected should be open for public scrutiny. The public is entitled to see how the regional representative body, charged with recommending the distribution of public funds to benefit their region, is appointed. Furthermore, openness in this area may reduce some of the existing barriers between regional bodies and the communities they are supposed to represent, thus assisting the SR program to achieve its intended outcomes.

#### **Recommendation 14**

**11.47 The Committee recommends that the appointment process for Sustainable Regions Advisory Committee members, including selection criteria, be made public.**

#### *Appointment model*

11.48 As discussed in Chapter 10, the Committee saw benefits in the skills-based composition of the Cradle Coast SRAC, compared with the local government emphasis of the Atherton Tablelands SRAC. The Committee considers that a skills-based approach to the composition of SRACs is integral to ensuring that sound projects are developed and delivered and that SRACs maintain non-parochial, region focussed objectives.

#### **Recommendation 15**

**11.49 The Committee recommends that the Government adopts a skills-based approach in relation to the appointment of future Sustainable Regions Advisory Committees, including the two new bodies announced during the 2004 federal election campaign.**

## **Regional Partnerships and Sustainable Regions Programs**

### *Australian National Audit Office*

11.50 The case studies and issues discussed in this report illustrate some serious inadequacies and inconsistencies in the administration of the RP and SR programs. The Committee considers that there is significant scope for improving the administration, accountability and transparency of both programs. In light of these

concerns, the Committee considers it appropriate that the ANAO conduct an audit of the administration of the RP and SR programs.

### **Recommendation 16**

**11.51 The Committee recommends that the Australian National Audit Office audit the administration of the Regional Partnerships and Sustainable Regions programs, with particular attention to the case studies highlighted in this report.**

#### *Program administration*

##### *Planning approvals*

11.52 In Chapters 2 and 5 of the report the Committee has remarked on the confusion created by different versions of the RPP guidelines being concurrently available on the department's website. In the earlier version of the guidelines, projects that were in the process of obtaining relevant approvals or licences were ineligible for funding. The revised version stated that projects that had not obtained the relevant approvals or licences 'will not generally be considered'.

11.53 As described in the Tumby Creek case study, while the revised guideline allowed the Tumby Creek grants to be *approved* without relevant licences, a funding agreement could not be entered into before the licences were obtained. Effectively, the project remained ineligible for funding until the relevant approvals and licences were obtained, but the grant announcement could be made. This circumstance raises serious concerns about the intent of the revised guideline. As described in the Tumby Creek case study, that project had particular political profile. Funding was announced by the Prime Minister in a marginal electorate just days before the 2004 federal election was announced. Yet the project was at the time ineligible to actually obtain the announced funding. As at mid-August 2005 a funding agreement for the project still had not been entered into.

11.54 The Tumby Creek dredging grant announcement lacked both integrity and transparency. Requiring potential RPP projects to obtain necessary licences and approvals prior to grant approval and announcement would prevent such situations occurring. It would also assist in ensuring the viability of RPP projects.

11.55 As discussed in Chapter 10, under SRP project assessment criteria it is mandatory that proposals comply with relevant planning and environmental laws. Yet the Committee discovered that for the Kalamunda Ecostay project, relevant planning approvals were not obtained prior to the grant being approved. Instead, this requirement was enacted in the funding agreement—well after the 'project assessment' stage and after the grant approval and announcement.

### **Recommendation 17**

**11.56 The Committee recommends that projects that cannot obtain or have not yet obtained relevant approvals or licences not be eligible for Regional Partnerships or Sustainable Regions funding.**

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### *Competitive neutrality*

11.57 Many complaints raised in relation to SRP projects on the Atherton Tablelands, particularly grants to private businesses, related to the fact that people were not aware of the projects until after they had been approved and had not been afforded the opportunity to raise concerns or objections about the projects.

11.58 The current process for assessing competitive neutrality, that is, seeking information from the *proponent*, is inherently limited and insufficient. The Committee believes that giving the public, or at least potential competitors, the opportunity to lodge any objections or concerns about potential RPP and SRP projects would improve the rigour of the application assessment process. Any objections or concerns raised would provide ACCs, SRACs and DOTARS with a larger evidence base to inform their assessments and recommendations. Community perceptions about unfair advantage may also be allayed.

11.59 There are numerous possible avenues for allowing competitors the opportunity to lodge objections or complaints about proposed RPP and SRP projects. Competitors could be identified by the SRAC or ACC and written to, or public notices placed, inviting a response. The Committee considers that the Government, in extending these funding programs to private enterprises, has an obligation and responsibility to ensure that consequent competitive neutrality issues are adequately addressed.

### **Recommendation 18**

**11.60 The Committee recommends that competitive neutrality procedures be strengthened, including the introduction of a procedure for potential competitors to lodge objections.**

### *Due diligence*

11.61 The Committee recognises that due diligence assessment processes need to be located within a robust risk assessment framework. It would be injudicious for DOTARS to undertake equivalent due diligence assessments for all applications without regard to project size, complexity and proponent. However, the Committee is disturbed by evidence which shows that in some instances basic checks have not been undertaken. That the Department was not aware of legal action by a state government department against the proponent of the A2 Dairy Marketers project, highlights existing shortcomings in the due diligence process.

### **Recommendation 19**

**11.62 The Committee recommends that due diligence processes be strengthened including a routine inquiry relating to legal action against applicants.**

*Approval***Recommendation 20**

**11.63 The Committee recommends that no program funding be approved for projects that do not meet Regional Partnerships and Sustainable Regions guidelines and fail other tests including proper due diligence.**

*Ministerial intervention*

11.64 The Committee believes that stronger measures need to be established to ensure that ministers remain at arm's length from decisions on applications for projects that are located in their electorates. This is essential for reducing the risk of a conflict of interest in funding decisions. The case of Primary Energy discussed in Chapter 7 involved an application from the portfolio minister's electorate. Although the department followed established practice by referring the case to another minister as the decision maker, one of the portfolio minister's advisers intervened in the process and caused the department to alter its advice to the decision maker. Regardless of whether the adviser's intervention was appropriate, this example reveals that the current 'practice' is inadequate and, as this instance demonstrates, leaves the process open to perceptions of a conflict of interest and partisanship.

11.65 The Committee considers that it should be mandatory that ministers are kept at arm's length from decisions on applications based in their electorates. In such cases, ministers and their offices should be quarantined from the decision making process. In instances (such as the Primary Energy case) involving applications from the senior portfolio minister's electorate, the practice of copying departmental briefings to the junior minister or parliamentary secretary to the portfolio minister should be suspended until *after* a decision has been made. This should be formal policy.

11.66 The Committee is also deeply concerned by the nature of the ministerial intervention in the department's advice regarding the Primary Energy application, discussed in Chapter 7. It is one thing for ministers and their staff to direct departments to implement government policy; it quite another for ministers and their staff to direct departments to alter or tailor departmental advice to the government on the assessment and approval of grants. The Committee considers intervention of the kind demonstrated in the Primary Energy case to be inappropriate and antithetical to the principle of the public service providing frank and impartial advice to ministers.

**Recommendation 21**

**11.67 The Committee recommends that it become formal policy that ministers and their staff are kept strictly at arm's length from decisions, including all relevant departmental advice, on applications from their own electorates. The portfolio minister and his or her staff should not be included in the circulation of departmental advice on applications for projects based in the minister's electorate.**

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**Recommendation 22**

**11.68 The Committee recommends that Ministers and Parliamentary Secretaries, and their staff, should be prohibited from intervening in the assessment of grants.**

*Extended caretaker period*

11.69 Concerns about the propriety of the approval and announcement of RPP grants in the lead up to the 2004 federal election were a key reason for the establishment of this inquiry. A large proportion of grant approvals occurred in the three months leading up to the election announcement. Allegations of 'pork barrelling' and that the programs had been used as election 'slush funds' demonstrate that these programs are currently open to perceptions of bias, particularly in the context of an election campaign. The Committee considers it appropriate that measures be put in place to improve the accountability of ministerial discretion in these programs during the lead up to an election. These measures may assist in avoiding perceptions that funding decisions are being made for party-political purposes.

**Recommendation 23**

**11.70 The Committee recommends that from the 1 July preceding a general election, the following procedures apply to grant approvals and announcements:**

- **when the Minister's decision to approve or not approve a grant is different to the recommendation of either the Area Consultative Committee or the Department, or the funding amount approved by the Minister is different to the amount recommended, then the grant approval decision be made in conjunction with the relevant Shadow Minister. The Committee further recommends that all grants approved in these circumstances be announced jointly by the Minister and the Shadow Minister.**

*Program transition*

11.71 The Committee considers that there are lessons to be learned from the controversy around the RP grant to Primary Energy Pty Ltd. A number of concerns relating to that grant arose because the original application had been made under one program, which became defunct, and the grant was subsequently approved under another program. The absence of appropriate transitional arrangements and procedures at the end of the program for applications still under consideration was a major shortcoming.

11.72 With the first tranche of the SRP scheduled to end on 30 June 2006 it is important that appropriate procedures are put in place to manage the cessation of the program. In particular, consideration should be given to procedures to manage unresolved applications. Similar considerations should be made in relation to RPP.

**Recommendation 24**

**11.73 The Committee recommends that the government develops and discloses procedures to govern the cessation or transition of the Regional Partnerships and Sustainable Regions programs.**

*Regional development**Review*

11.74 While this inquiry has highlighted administrative shortcomings and accountability deficits in the regional programs, the Committee is also cognisant of the need for an examination of whether such programs achieve regional development outcomes.

11.75 As discussed in Chapter 2, the Committee has noted the inadequacies of the reviews and evaluations so far conducted of the Regional Partnerships and Sustainable Regions programs. Accordingly, the Committee considers that a thorough review must be undertaken of the effectiveness and appropriateness of grants-based programs as a mechanism to achieve regional development.

**Recommendation 25**

**11.76 The Committee recommends that the government reviews the efficacy of a grants-based approach to regional development.**

*Value for money*

11.77 As discussed in Chapter 2, the Committee was concerned at evidence that a number of projects to be funded under the RP program would duplicate the Tasmanian Government's recreational infrastructure program. The Committee considers that value for money from the RP and SR programs can only be achieved through coordination with other levels of government. As well as avoiding duplication, coordination of regional development priorities can multiply the benefits of local, state and commonwealth government programs.

11.78 Existing aspects of the Regional Partnerships and Sustainable Regions programs could be drawn upon to maximise coordination opportunities, for example, partnership funding requirements that are often fulfilled by state governments, the ability of local governments to apply for funding and the presence of many local government representatives on ACCs and SRACs.

**Recommendation 26**

**11.79 The Committee recommends that the Regional Partnerships and Sustainable Regions programs should complement, not compete with state and local government funding programs.**

**Senator Michael Forshaw  
Chair**

