



**BAROSSA
RIVERLAND
MIDNORTH**

**Area
Consultative
Committee**

27 January 2005

Alistair Sands
Secretary
Australian Senate Finance and Public Administration
Reference Committee
Parliament House
CANBERRA ACT 2600

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Dear Sir

RESPONSE TO INQUIRY INTO REGIONAL PARTNERSHIPS PROGRAM

The Barossa Riverland MidNorth Area Consultative Committee (BRMACC) is pleased to make a submission to Finance and Public Administration Committee on our experience with the *Regional Partnerships Programme* since July, 2003.

As you are aware, a key part of our role is to provide advice, support and assistance to proponents under the *Regional Partnerships Programme*, as well as delivering recommendations on projects once lodged. In addition the BRMACC's Regional Strategic Plan (attached) gives direction for the development of projects. Our organisation is also closely involved with the pre-planning of long-term community and industry initiatives – leading to greater sustainability for our region.

Our organisation is generally extremely supportive of the *Regional Partnerships Program*. The program provides great flexibility for our communities; broad guidelines that fit neatly with regional Australia's needs; and its partnership requirement gives excellent motivation for the development of joint ventures and collaboration within our communities. The main downside we believe is the slow assessment/approval mechanisms currently in place.

We will provide details on each point:

1 (a) BRMACC prides itself in giving strong support to proponents in the development of their proposals and requires that those lodged are of high quality – we have been fortunate to have all of our projects approved thus far. We have a close relationship with the Adelaide DOTARS Office assessment team and trust their assessment process for the projects lodged. We believe



it is this relationship of trust and communication with the Adelaide DOTARS team which has contributed to our successes.

1 (b) BRMACC members have a strong commitment to the project recommendation process and take it very seriously. Each member is provided with a copy of each application and attachments, along with a recommendation check-list (which is based on the project assessment criteria). Members then bring this to a full meeting of BRMACC where each project is discussed in turn – each member being able to put their personal interpretation on the information provided. It is only after this process that a recommendation (or not) is made and input provided to DOTARS. All members are aware of the development of each project throughout its stages through meeting reports and communication with staff. Issues of Conflict of Interest are addressed at all times and fully minuted. Proponents are advised of our processes very early on and we believe it is this adherence to a set process that adds value and credibility to the program in our region.

1 (c) BRMACC is keen to accept comments and judgements on projects from other sources, but these are all brought to the table and discussed openly within the meeting environment. Again, it is the joint viewpoint of the full Committee that is the recommendation – and any particular individual views would be discussed and would need to be agreed to by the group.

In terms of recommendations of departmental officers – these would be accepted if they related to the program guidelines of processes. BRMACC does not feel it appropriate that departmental officers give recommendations at this point – as we see it as a conflict of interest – as those same officers are often making the assessment. The ACC Recommendation should come from the ACC, and not be influenced by the Department.

1 (d) BRMACC's understanding of the roles of other players is limited by our remoteness from the Departmental and Ministerial processes. We are totally reliant on information provided to us by departmental officers and the information on the process provided in the *Regional Partnerships* Guidebook.

Through informal contact and our minutes of meetings, we provide advice to our local members on projects as they are being developed, but so far, we have not had feedback on the progress of Regional Partnerships projects from any source other than the department. Admittedly, this can be frustrating at times, as once projects have been lodged, departmental officers cannot give us feedback other than to advise that the project is "currently under assessment".

This lack of communication can place us in a difficult and occasionally embarrassing position. After developing close relationships with proponents during the project development phase – it is often frustrating for them that we are no longer part of the process. This is especially relevant when projects are delayed with no explanation forthcoming.



1 (e) BRMACC has to assume that the criteria used to take the decision to fund *Regional Partnerships* projects is that which is outlined clearly in the Program guidelines. Any divergence from this without public knowledge – by us, the department or the Ministry – would be unconscionable.

1 (f) BRMACC believes that from the perspective of the ACC, the guidelines, the process for development, recommendation and lodgement of projects is open, transparent and accountable. We are unable to comment on the process beyond this; as have no experience or advice apart from that received from Adelaide Office. In the main, we believe we are advised of all departmental communication with proponents during the assessment phase; but apart from this we wait and trust.

1 (g) Whilst understanding that *Regional Partnerships* is a “discretionary” funding program and also taking into account the need for accountability processes, BRMACC feels that the mechanism for authorising and funding of projects is cumbersome and slow.

Since the program’s inception; projects lodged by this ACC average 5.7 months from lodgement to approval – against the programs’ promise of 60 days. Whilst we understand that occasionally there can be delays in accessing extra information, we know of only one project where this occurred.

We believe these delays in assessment to be the greatest impediment to the Program at the current time. Delays cause not only the Program to lose credibility, but also the Government. The greatest loss though, is for those projects which do not go ahead or are withdrawn – lost due to proponents being uneasy with the thought of potential delays or untrusting of the Government or its systems *because of the delays!*

BRMACC has no issues with the process at the moment, but would be very interested in this enquiry investigating how much time each project is actually “worked on” during the assessment phase and how long they are “waiting” for the next stage or for approval, etc. It may be that the issue of delay could be alleviated with more staff and more efficient systems.

1 (h) BRMACC is unable to comment on the constitutionality, legality or propriety of practices involved members’ exclusion, coercion or threat in relation to projects – as we have no knowledge or experience of this happening in our region.

1 (i) BRMACC believes that the operation of the programme is consistent with the Auditor General’s ‘Better Practice Guide for the Administration of Grants’. As we have no understanding of the audit practices – we are unable to comment on whether the program is subject to sufficient audit.

2. BRMACC is of the understanding that the *Regional Partnerships* Program, as delivered in our region, accounts very properly for public funding as well as accounting for the actual *benefits to our community* from the use of that funding.



In terms of the delivery of this or any other program, there needs to be an even balance between the steps taken to ensure accountability for public monies through a program and the need/desire of the community to which the program is to serve. Any program which has requirements which are too difficult or cumbersome will not be taken up (or only by those who know and can manipulate the system). That serves no-one. Conversely, great desire and need for a project in a particular region can force some to find loopholes to be exploited in loose program guidelines. Again, serving no-one.

True accountability is only possible where there is clear and open education, advice and information on the program, its Guidelines and processes; the means to provide that education, advice and information in a genuine, supportive way; and the adherence to those Guidelines and processes by all parties – diligently and honestly.

This is achieved in our region though the Regional Partnership Program at present. The Program itself has been developed with some thought as to the needs of Australia's regions, it provides flexible, clear and easy-to-understand Guidelines; and the process to authorising funding – although cumbersome and slow at present – is clear and, hopefully, diligent.

The role of the Area Consultative Committees in taking the program to the regions is a vital one. It is ACC's who are able to present the government information in a way that is clear, personal and supportive and it is THIS, which is the key strength of the program. In taking this role, ACC's cannot underestimate their importance – in targeting promotion, education and advice on Regional Partnerships to their respective regions and recommending the resultant projects; they are performing a dual service to support government distribute program funding in a directive, accountable way; but also delivering actual results to their regions.

3. There are no related matters that BRMACC would comment on.

Yours sincerely



Robyn Masterman
Chair

