



Central Murray Area Consultative Committee Inc.

Inquiry into the Regional Partnership Program and Sustainable Regions Program

The Central Murray Area Consultative Committee (CMACC) region encompasses 10 local government areas on either side of the Murray River including Campaspe, Gannawarra and Swan Hill in Victoria and Balranald, Wakool, Murray, Deniliquin, Conargo, Jerilderie and Berrigan in NSW. The region stretches from Rushworth in the south to Robinvale/Euston in the north-west and east across to Jerilderie and Barooga. It is a vast area of 62,000 sq kms with a population of approximately 102,000 people.

CMACC is responsible for the promotion and assistance to communities within our region of the Commonwealth Regional Partnerships funding program. The CMACC region is not part of the Sustainable Regions program.

1. The administration of the Regional Partnerships program and the Sustainable Regions program, with particular reference to the process by which projects are proposed, considered and approved for funding, including:

a. Decisions to fund or not to fund projects;

- i. CMACC understands the basis for all decisions made on projects submitted from this region to date. This is due to the very transparent processes that the Regional Office of DoTARS undertakes when assessing projects. All issues are discussed with CMACC and input sought for clarification of issues. This process highlights the role that ACC's should have in the process. It is the ACC who has the in-depth local knowledge and working relationships with project proponents.
- ii. This local representation is also widely regarded by communities because they feel comfortable dealing face to face with people and realise that we also work and reside within their communities.

b. The recommendations of Area Consultative Committees;

- i. All projects submitted within the CMACC region have been developed in consultation with CMACC staff and board members. The CMACC recommendations are based on previous knowledge of the issue that will be addressed and further local knowledge gained during the development phase of the application. The recommendation of projects by CMACC ensures that these projects are consistent with CMACC's Strategic Regional Plan (SRP) and the Ministerial

Statement of Priorities. This is a very important role that should not be diminished or devalued in any manner.

- ii. The Regional Office generally accepts the ACC recommendations because of the value adding that this recommendation and endorsement provides to the project assessment. It also assists in confirming the information that they have gained during the assessment process.
- iii. The acceptance of the ACC recommendation by the Regional Office also shows the respect the Regional Office has for the views of the ACC Board, which has developed over a number of years in their professional working relationship.

c. The recommendations of departmental officers and recommendations from any other sources including from other agencies or other levels of government;

- i. This is an important aspect of the Regional Partnership program. By its own very definition, this program requires funding partners to ensure success of projects. The DoTARS staff recommendations should be the same or very similar to the ACC perspective if all sides have completed their job thoroughly.
- ii. It is very important that other agencies etc are consulted for their views on certain projects. This is even more important for projects from the private sector due to competitive advantage and market neutrality issues. These views do not necessarily need to be in a formal recommendation but should be included in the department officer's commentary.
- iii. The variety and volume of projects that are proposed and assessed each year means that department staff can not be expected to be across all other programs; other agencies priorities; and have in-depth knowledge in all industry sectors. It is imperative that other views are sought and considered within the context of the project proposal in question.
- iv. All projects submitted through the Central Murray ACC for consideration of RP funding have been thoroughly and thoughtfully investigated by DoTARS staff in consultation with CMACC staff. It has been done in a meticulous manner with consideration given to the quality of the project, what the project is trying to achieve, the status and ability of the community or proponent in question to manage the project, and within best practice guidelines. They are also consistent with CMACC's SRP and the Ministerial Statement of Priorities.

- v. CMACC ensures that proponents work closely with other potential funding and support partners before projects are submitted for RP consideration. This work is usually authenticated by support letters and commitment of, or letters of intent for, financial support. This support and financial commitment is a recommendation in itself.
- d. The nature and extent of the respective roles of the administering department, minister and parliamentary secretary, other ministers and parliamentary secretaries, other senators or members and their advisers and staff in the process of selection of successful applications;**
- i. In CMACC's experience it is normal for members of both Houses to represent their communities to decision makers in Canberra; this is their fundamental role. Therefore they should be able to lobby on behalf of the respective community to promote the need for certain projects.
 - ii. It is not unusual for views on projects to be sought from other Commonwealth departments. Therefore, responsible Ministers from these departments may need to have projects discussed with them so as to ensure they are aware of any implications that may arise.
- e. The criteria used to take the decision to fund projects;**
- i. The guidelines and eligibility criteria of the Regional Partnerships program are quite clear and easy to understand. The criteria provides for the flexibility required to allow communities to address their social issues and for economic and regional growth development.
- f. The transparency and accountability of the process and outcomes;**
- i. As an ACC who works closely with the regional department staff we are quite aware of the processes that they undertake in assessing and recommending projects. In our experience, CMACC believes that the processes are of a very transparent nature and therefore should withstand any accountability check.
- g. The mechanism for authorising the funding of projects;**
- i. The approval of projects by the Parliamentary Secretary appears to be an appropriate measure following full assessment and QA checking by the department.
 - ii. The announcement of projects by the local Member or sponsoring Senator appears to be the appropriate

mechanism for the announcement of successful projects in respect of the Government of the day.

- iii. These announcements need to be issued immediately so that communities can begin planning the implementation of their project. The period of time from concept to approval of projects can often be quite lengthy and further delays to commencement of the project does not assist the local community. First and foremost the RP program must be about the communities.

h. The constitutionality, legality and propriety of any practices whereby any members of either House of Parliament are excluded from committees, boards or other bodies involved in the consideration of proposed projects , or coerced or threatened in an effort to prevent them from freely communicating with their constituents; and

- i. CMACC has a healthy relationship with all local Commonwealth members. We do not believe that it is appropriate for them to be a member of the ACC Board due to the number of conflicting interests that this would create. ACC's must be apolitical and a local member being on the Board would compromise this.
- ii. Local Commonwealth members should be informed of project applications that are nearing completion so that they have an opportunity to add value to the application. The members are involved in many local and national discussions and may be able to provide further information to support or improve the proposed project.

i. Whether the operation of the program is consistent with the Auditor General's "Better Practice Guide for the Administration of Grants", and is subject to sufficient independent audit.

- i. n/a

2. With respect to the future administration of similar programs, any safeguards or guidelines which might be put in place to ensure proper accountability for the expenditure of public money, particularly the appropriate arrangements for independent audit of the funding of projects.

- i. There is a greater emphasis across all levels of government for partnership funding to implement projects. We believe that consideration should be given to having projects audited in their entirety. It can be quite onerous for community groups to have to manage between two and four audits for the one project. To achieve a one audit status there needs to be discussion between all levels of government funding to

- formulate a process that satisfies their needs and the needs of the community
- ii. CMACC supports the concept of private sector being able to request funding to support initiatives that will bring regional benefits. The process of identifying and understanding competitive neutrality/advantage issues may require further education/professional development for assessment officers. There are often many underlying factors that need to be considered and addressed.
 - iii. For private sector proponents there should be thorough solvency checks completed by the responsible Commonwealth department. The credibility of funding programs can be easily discredited by the failure of just one or two private sector projects. During the solvency check, consideration should also be given to local knowledge; reputations (or lack thereof); and previous business conduct. We realise that some of this can be hearsay but the credibility of funding programs and local Parliamentary Members can be put at risk if consideration is not given to local knowledge.

3. Any related matters.

- i. CMACC has developed a very professional and close working relationship with the staff of the Regional Office of DoTARS. This relationship ensures that the Regional Office, CMACC Board members and CMACC staff value each others contribution and process when assessing project proposals that are developed and submitted for funding. We work in partnership to understand the dynamics of the region; discuss issues arising and debate the merit of proposed projects.
- ii. The Regional Partnership program provides flexibility for local communities and assists them with the necessary leverage to be able to obtain partnership funding. This partnership funding is often difficult to achieve in rural communities.
- iii. CMACC believes that the continuation of the RP program as a discretionary is still the most opportune way in which to address the needs of such a diverse range of communities within Australia.

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Graeme Gledhill
Chair