



3rd February, 2005

Mr. Alistair Sands
Secretary
Finance and Public Administration – Reference Committee
RP Inquiry
Parliament House
CANBERRA 2600

Please find attached response from the Area Consultative Committee – known as the
Tasmanian Employment Advisory Council Inc.

The response to the inquiry was endorsed the Executive Committee of TEAC on
Wednesday 2nd February, 2005.

Yours sincerely,

Sheryl Thomas
EXECUTIVE OFFICER.

(Fwded via email).

**Response to the Inquiry into the Regional Partnerships Programme – from the
Tasmanian Employment Advisory Council Inc – Area Consultative Committee.**

**The process by which projects are proposed, considered and approved for
funding;**

Potential projects are brought to the ACC's attention in a number of ways; Through a direct approach to the ACC, or due to contact with their local government, tourism association, community based organization, state government, and via their local politician, (being state government, federal MHR or Senator from either major party)

TEAC has a strong relationship with the state government, especially with the Departments of Economic Development, Primary Industries Water and Environment, Tourism and Education (OPCET).

Representatives from these departments are Associate Members of TEAC, assisting provide support for RP projects that meet both state government priorities and those of the ACC.

The Local Government Association of Tasmania – the body responsible for the 29 councils in Tasmania, also holds Associate Director membership of TEAC, providing assistance in the development of RP proposals.

The Tasmanian Community Fund, provides grant funding, to community based organizations, through a six monthly funding programme. The TCF fund and the ACC work in tandem, for partnership funding, and sustainable outcomes for the community project.

The ACC speaks directly to the proponent about their "ideas" for projects, and informs them of the process required to meet the Regional Partnerships guidelines. A continual mentoring role is undertaken by the ACC staff in the development of an RP application.

Regional Directors of the ACC are kept informed of the progress of RP applications, so members can early identify if they should be excluded from project discussion ensuring Conflict of Interest, does not occur. *Such a* process also allows for any additional information or assistance to be given to proponents to allow the RP application to be given every opportunity of meeting the guidelines.

The ACC informs the proponents in seeking letters of support for the project, that the correspondence must clearly state the support that will be forthcoming for the project, ie monetary, in kind, (through labour, materials etc).

All projects must be aligned to the ACC's Strategic Plan, which in turn compliments the existing plans currently being implemented across Tasmania by the state government. Ie Partnerships Agreements, Industry Development Plan, Tasmania Together and Learning Together.

(a) Decisions to fund or not to fund particular projects.

The ACC makes a recommendation as per the rating required on the Regional Partnerships ACC Comments Form, with a final rating for "Recommendation as high medium, low or not recommended."

The final decision to fund or not fund a project is left with DOTARS– The Parliamentary Secretary, on the advice provided on the ACC Comments Form.

(b) The recommendations of area consultative committees

The ACC Regional Directors use the Strategic Plan and the ACC Member Comments Pro Forma as the basis for commenting on all RP projects. The formalised procedures (attached) are based on the Strategic Plan, the RP guidelines, and the expertise and knowledge of the ACC Regional Directors of the project. Value for money, partnerships, outcomes and the sustainability of the project proposal all form part of the comments process, for the final recommendation.

A secure on line web based forum has been established for ACC Regional Directors to make comment on the RP application within the given timeframe of 10 days from lodgement of projects. Conflict of Interest Declaration forms part of the process.

The Chairman reads all comments on the ACC Comments Form made by Regional Directors prior to signing off in relation to the final recommendation.

ACC Regional Directors are the only members involved with the commenting and final rating of recommendations for Regional Partnership Applications.

(c) The recommendations of department officers and recommendations from any other sources including from other agencies or other level of government;

The recommendation of departmental offices is made on the basis of the RP application lodged and the comments process undertaken by the ACC.

The DOTARS Departmental Officers undertake their own investigations where necessary for clarification on points not clearly articulated in the application with the proponent or other government agencies. Correspondence undertaken in relation to further queries/investigation with agencies or the proponents are forwarded to the ACC for information.

There has been no involvement by administering department, ministers and parliamentary secretary, senators, advisors etc with the selection of successful applications, during the comments process, or assessment process of RP projects with the ACC.

In the development of the RP application the ACC staff, ensure that the RP project has the support of either, other government agencies, funding bodies (ie TCF) or the relevant state government department or local government. Documentation is requested where appropriate for such support and attached to the application, or the proponent includes the "verification" within the application.

The ACC ensure that the RP application is in line with all levels of government, strategies, and planning processes.

(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.

The ACC liaises with DOTARS on a regular basis, providing information on potential RP applications and the funds being requested. The State Regional Manager of DOTARS, attends both Executive and General Meetings of the ACC, providing updated information on RP guidelines, and applications lodged. All ACC's receive the "Weekly Email from DOTARS on issues related to RP.

Either the Duty Senator or MHR in the area of the RP application informs the ACC, should an application been successful or otherwise. It is also the role of the Duty Senator or MHR to inform the proponent. (This is a process that could be better co-ordinated)

Minister, parliamentary secretary, other ministers and parliamentary secretaries, other senators or members and their advisers and staff, have not had and will not have a role in the ACC comments process of RP applications.

- (e) The criteria used to take the decision to fund projects - has been outlined in (b) with the ACC proformas.**

DOTARS makes recommendations the Parliamentary Secretary to fund or not fund an RP project on the comments contained in the formal Regional Partnerships Comments Proforma., by the Regional Directors of the ACC. and based on DOTARS own assessment of project

- (f) The transparency and accountability of the process and outcomes.**

The ACC abides by the DOTARS ACC Handbook, the RP application process and the ACC Internal Procedures Manual for Comment Procedures on RP applications and Conflict of Issues policy. The RP application is fully discussed with the proponents to ensure transparency and accountability issues have been adhered with the lodging the application. The comments process has been outlined above.

- g) The mechanism for authorising the funding of projects –**

This is totally in the hands of DOTARS. The ACC plays no part in this process.

DOTARS Regional Office undertakes contracts for successful projects. DOTARS ensures that the successful proponents are aware of the roles and obligations they are entering as a legal contract. DOTARS undertake the monitoring role for compliance in relation to all contractual arrangements.

- 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 the constituents**

It is the Regional Directors of the ACC – elected in accordance with the Rules of Association of the ACC that make comment on RP applications. Communication is undertaken in a formal manner through DOTARS, in the provision of advice to members of the House of Parliament, in relation to queries raised with RP projects.

The ACC has meetings with members of parliament both state and federal in relation to constituent queries for accessing the possibility of funding for projects. In some cases updates are provided when requests are made by members of parliament on the progress or otherwise of RP applications.

Members of parliament (either in government or opposition) have played no role in the assessment of RP applications.

- 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.**

The ACC strictly abides by the DOTARS/ACC Funding Contract and all Regional Directors, abide by the ACC Handbook and Rules of Associations which form part of the ACC Induction kit. With 12 monthly updates undertaken on the procedures and processes contained in the contract and handbook.

The ACC has completed a Quality Assurance Audit on three occasions rating very highly on adherence to policies and processes associated to the contractual arrangements and ACC Handbook.

- 2) 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.**

From the ACC's understanding safeguards for accountability and auditing are in place for RP Projects is quite appropriate

- 3) Any related matters.**

Little consultation occurred with the ACC in relation to projects being put forward as election promises associated to Regional Partnerships. In some cases election promises were made to projects were RP applications had been lodged with DOTARS, and the comments process by the ACC had been completed – with no involvement from the Senators.

In other instances projects received "election promise funding" where TEAC had met with the proponents informing them of the guidelines and the requirement for co-funding from other sources, partnerships, value for money, priorities contained with the ACC Strategic Plan. In such cases these projects had a long way before they would even be at the application stage.

The Inquiry has been bought about due to "election promises" – The ACC would appreciate consultation being undertaken with the ACC by the "candidate" contesting the election to ensure they are fully aware what projects have been discussed with communities in relation to the RP process and if the proposed project does actually fit the criteria for RP funding, and if not – what measures should be put in place to meet the requirements. The candidate should be aware of all relevant issues.

It appears that the "squeakiest wheel" may be the only one given consideration during the election campaign.

The "election promises" where projects have received funding, that were not known to the ACC, or where further development was required, undermines the voluntary commitment of the ACC Regional Directors.

- Regional Directors promote the programme and the process within their community or industry sectors.
- Regional Directors take their role extremely seriously when making comment on an RP application.
- Regional Directors bring their community/industry views and knowledge for the development of the Strategic Regional plan which forms the basis of RP application comments process.

The Regional Directors are the face of the ACC in regional communities, therefore they are approached by community members to "why projects were funded" when they were informed of the correct procedures and process which had to be adhered to for funding under Regional Partnerships.

Endorsed by the Regional Directors –
Tasmanian Employment Advisory Council Inc.
TEAC meeting 02/02/05

ACC MEMBER COMMENTS PRO FORMA

Strategic Regional Plan			
Description:			
Is the project proposal consistent with TEAC's strategic regional plan? 1=No 2=Yes			
Comments:	*Score:		

Does the project fit within TEAC Goals:

- To enhance Tasmania's primary production industries through value adding and downstream processing, within agriculture, horticulture ad aquaculture, with an emphasis on high quality.
- To address labour force issues within Tasmania, specifically - skills shortages across industry sectors; through traineeships and apprenticeships, both the provision and the promotion thereof; and the attraction of labour to emerging and developing areas and industries.
- To actively engage in Business Development throughout Tasmania through the encouraging of mentoring and leadership training and the fostering of innovation in business.
- To advocate and network actively for better transport infrastructure and more efficient transport logistics management
- To promote employment and youth issues within Tasmania with a specific emphasis on school retention rates, access to transport, access to health services, access to mentoring and facilitation of employment programmes.
- To encourage and promote social cohesion, particularly cohesion within and between small towns and communities
- To work with rural communities to identify local priorities and to develop and support integrated services to address a wide range of health services including availability of General Practitioners (including Dentists) in rural and regional areas, community health care, childcare services, aged care and the changing Tasmanian population.
- To advocate and network for the improvement of problems relating to the transport needs of regional areas of Tasmania and to actively engage the community in problem resolution.
- To promote balanced land-use between agriculture, forestry, mining, tourism and coastal management within Tasmania through the promotion of Natural Resource Management strategies and the encouragement of strategy uptake in regions, communities and government.
- To improve the value of Tasmania's primary industries by raising awareness of Biotechnology to retain Tasmania's competitive edge in agriculture.

Outcomes

Description:

How do you consider the application would deliver against this criterion (refer to programme guidelines)?

1=Weak

2=Moderate

3=Strong

Comments:

***Score:**

Definition: the consequence of the project. Outcomes can be negative or positive. Projects should have a positive outcome i.e. provide benefits for a region e.g. increased employment, industry expansion and tourism growth.

Purpose:

To ensure the:

- rationale for the project is sound; .
- expected outcomes are consistent with the rationale;
- expected outcomes are consistent with Regional Partnerships' priorities;
- methodology is sound;
- output is consistent with the outcomes;
- performance measures for outcomes are sound; and
- project is competitively neutral.

Application references:

- Application form questions – 7, 13, 14, 15

Guidance for ACC's

Based on the applicant's claims and your local knowledge of the ACC region, does the ACC consider that the claimed project outcomes will:

- Provide benefits for the community? How? If not, why not?
- Lead to additional opportunities in the region? What might these be?
- Be achieved? If not, why not?

Does the ACC:

- consider the claims made by the applicant in the application form are justified/achievable?
- consider the outcomes to be suitable for the community?

Who will the project benefit?

Partnerships and Support

Description:

How do you consider the application would deliver against this criterion (refer to programme guidelines)?

- 1=Weak
- 2=Moderate
- 3=Strong

Comments:

***Score:**

Definition: an individual or organisation that makes a financial and/or in-kind contribution to the project. Often referred to as *co-funding* or *cocktail funding*.

Purpose: To:

- maximise the outcomes for each contribution
- minimise the risk of project failure if partners withdraw.
- demonstrate support in the region
- increase commitment to the project's success
- improve the project's sustainability

Application references:

- Application form questions: 17, 9 and 1
- Attachments to application form

Guidance for ACCs in Providing Comments

Does the ACC consider that:

1. the project demonstrates a partnership approach?
2. there is evidence of co-funding and partnership support from:
 - government agencies_
 - private sector
 - community organization? If so, are they providing cash or in-kind support

Are the partnership contributions reasonable? In commenting on this, consider:

- the size of the community;
- the type of contribution;
- who the partners are;
- the relative costs of the region;
- the size of the project;
- access to other funding sources in the community.

Support

Description:

How do you consider the application would deliver against this criterion (refer to programme guidelines)?

1=Weak

2=Moderate

3=Strong

Comments:

***Score:**

Definition: an agreement or encouragement from other regional stakeholders for the project to proceed.

Purpose:

Community support for the project is critical to the long term success and ownership of the project.

Application references:

- Application form questions: 9 and 17

Guidance for ACCs in providing co

Does the ACC consider that:

- the project has support from a broad cross section of the community - appropriate groups/communities/individuals/organizations that this project impacts on? If yes, why? If no, why not?
- there has been sufficient consultation in the community about the project?
- there is a need for ongoing community involvement? Is there the required commitment from the community?
- does the applicant need local government support for this project in the form of:
 1. statutory approval e.g. zoning of land, Development Approvals, Building Approvals
 2. on-going maintenance costs eg operation costs, maintenance of infrastructure, maintenance of grounds, public liability costs?

Examples of evidence that could support this:

- Partnership funding
- Sponsor for the project
- Letters of support
- Letters of commitment
- Petitions in favour of the project
- Positive outcomes from community consultations .
- Volunteer labour

Applicant Viability

Description:

How do you consider the application would deliver against this criterion (refer to programme guidelines)?

1=Weak

2=Moderate

3=Strong

Comments:***Score:**

Definition: The applicant has the capacity and ability to ensure the project and its *outcome(s)* are achieved within the period of funding and sustained beyond.

Purpose:

The project and its outcome(s) are:

- achieved
- met according to expectations and plans
- sustainable
- ongoing beyond the funding period

Application references:

- Application *form* questions: 8, 18 and 20

Guidance for ACC's in Providing Comment

- What is the ACC's knowledge or experience of the applicant's capacity to manage the project and achieve the stated outcomes
- What is the ACC's stated awareness of other resources and access to appropriate expertise that the applicant has to support it in maintaining the project
- If a third party is to manage the project, what is the ACC's knowledge or experience of their capacity to manage and achieve results?

Project Viability

Description:

How do you consider the application would deliver against this criterion (refer to programme guidelines)?

1=Weak

2=Moderate

3=Strong

*** Comments:*****Score:**

Definition: Evidence that the project outcomes are sustainable beyond the funding period, and that the project has been appropriately costed.

Purpose:

To ensure that the projects funded by the Commonwealth will not need to come back seeking further funding in order for the outcomes to be completed or sustained.

Guidance for ACCs in providing comments:

Project Viability – general

Does the ACC consider that:

- there is evidence that the outcomes of the project are likely to be sustained beyond the project funding period?
- The costs are reasonable for the region
- There is a clear path and local commitment to the next stage of the project? If so, why? If not, why not?
- are there any other linkages to community initiatives or enterprises that may be relevant in underpinning the long term outcomes?

Project viability - commercial

Does the ACC consider there is a commercial demand for the product/service? Why/why not?

Duplication

Description:

Are YOU aware of any other entity or community group seeking funds for this or a similar initiative?

1=No

2=Yes

Comments:***Score:**

In providing comments on whether the ACC is aware of any other entity or community group seeking funds for this or a similar initiative ACCs should consider whether there is any duplication of the project activity that might adversely impact on the success of the project ie

Planning projects

- Are there other plans in the community that this project will duplicate?

Infrastructure projects

Are there other buildings in the community that could be used instead? Renovate/modify for the same use?

Services projects:

- Will the project duplicate existing services? Is there a demand for a duplicate service?
- Is this an extension/enhancement of existing services

(Actual partnerships to the project should be discussed in the criteria section entitled "Partnerships" – see above for guidance.

Competitive Neutrality Issues

Description:

Are YOU aware of any competitive neutrality issues relating to the proposed project?

1=No

2=Yes

Comments:

***Score:**

ACCs are asked to advise whether:

- they are aware of any other businesses operating in the same line of business activity across the region and any possible duplication of existing business or community activity. These should be described in the comments.
- they consider that the project will adversely impact on any other business or business activity in the region and why or why not.

Overall Recommendation

Description:

What is YOUR recommendation
1=Not Recommended
2=Recommended and low priority
3=Recommended and medium priority
4=Recommended and high priority
Any other comments or issues in relation to the proposal?

*** Comments:**

***Overall Recommendation:**

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