

28 October 2022

Committee Secretary  
Joint Committee of Public Accounts and Audit  
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Parliament House  
Canberra ACT 2600  
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**RE: Submission to the *'Inquiry into Commonwealth grants administration'***

I write to you on behalf of eight Regional Development Australia (RDA) Committees that make up the Northern RDA Alliance (the Alliance). The Alliance is the RDA representative group for Northern Australia, stretching from the Gascoyne in Western Australia to Gladstone in Central Queensland to the northern most points of Australia. The Alliance includes RDA Tropical North, RDA Townsville & North West Queensland, RDA Central & Western Queensland, RDA Greater Whitsundays, RDA Northern Territory, RDA Kimberley, RDA Pilbara, and RDA Mid West Gascoyne.

The Alliance supports the Australian Government's focus on building stronger regions, and in particular the agenda to develop Northern Australia. The Alliance seeks to leverage Australian Government programs to achieve this ambitious objective, including securing funding for regional development projects.

In this context we are very familiar with the recently discontinued Building Better Regions Fund (BBRF) and this regional funding program's precursors. We hope our combined experience of regional funding programs can assist the deliberations of the Joint Committee of Public Accounts and Audit (JCPAA).

Please note that our commentary is directly relevant to the recently announced regional development fund, the Growing Regions Program.

The Alliance wishes to make one recommendation as follows:

**Recommendation:** The Alliance recommends the return to a two-stage assessment of regional development fund applications. This maximises the value of local knowledge in the funding decision making process while minimising the risk of undue influence either at the local level or at the political level.

The two-stage assessment process was highly effective during the era of the Regional Development Australia Fund. The assessment of expressions of interest was the responsibility of the RDA Committees. The shortlisted expressions of interest then progressed to the next stage and the project proponents developed full applications for assessment by the relevant agency.

This two-stage assessment had multiple benefits:

- It allowed people with local knowledge to shortlist projects for their region. It is acknowledged that conflicts of interest need to be managed, however, local project prioritisation offers a vastly better assessment of needs, impacts and risks.
- It saved resource poor organisations from the significant cost of developing a full application unless they were shortlisted, in which event their application was being considered in a considerably less competitive context and their odds of success were very much higher.
- It greatly reduced the volume of applications that needed to be assessed by the relevant agency, allowing for more timely analysis of the full applications against the selection criteria and detailed assessment of project viability and risk.

The Alliance shares the JCPAA's interest in strengthening the integrity and administration of regional development grants. Our single recommendation is a simple change to implement, and we believe it will address many of the issues that have triggered this inquiry. We look forward to providing ongoing support in the delivery of Australian Government funding programs and welcome the opportunity to assist the JCPAA further if required. I can be contacted on 0493 080 143 or at the email address below.

Yours sincerely



Sonja Johnson

On behalf of the Northern RDA Alliance

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