INQUIRY INTO INTEGRITY, EFFICACY AND VALUE FOR MONEY OF NSW GOVERNMENT GRANT PROGRAMS

Organisation: Inverell Shire Council

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17 August 2020

NSW Legislative Council Public Accountability Committee https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2606#tab-submissions

Dear Sir/Madam

Re: Stronger Country Communities Fund (SCCF)

I write to provide comment on the New South Wales Government's Stronger Country Communities Fund (SCCF).

A. Background

Since the inception of the SCCF in 2017 to date, my community has had to deal with a number of significant challenges – drought, bush fire and COVID-19 generated restrictions on economic activities. Inverell is not claiming to be unique, as many rural communities had to confront some or all of these challenges.

During this period the level of economic activity in our Shire slowed considerably. While landholder specific support schemes assisted in sustaining the base family unit, the broader local economy needed stimulus to ensure local employment opportunities could be maintained.

Council recognised the benefits of injecting funds into the local economy, and as a result a sum of \$6.5M was released from Council reserves to 'bring forward' planned projects. The majority of these projects were in the road construction/maintenance areas and this resulted in plant contractors remaining 'in the area and in the industry'. These resources are needed in normal times to help Council staff deliver our works program.

This effort by Council was certainly not going to be sufficient to sustain our local economy. Federal and State Government infrastructure spending through programs such as SCCF was needed to assist get over the 'economic humps' confronting our community.

B. Program Objectives

The SCCF had two (2) objectives. The objectives were:

1. To boost the liveability of communities in regional areas by providing new or upgraded social and sporting infrastructure or community programs that have strong local support;





2. To provide programs and infrastructure that enhance opportunities for young people to be work ready and thrive in regional NSW.

These objectives are strongly supported.

The focus on boosting the liveability of regional communities and young people focused infrastructure/programs is vital when seeking to retain population in our communities. Enhanced amenities and activities for the youth certainly contribute to the retention of rural populations.

The fund also guaranteed each local government area in regional NSW a notional allocation of funding. This was a critical feature as each Council was guaranteed financial support provided projects that meet the funds objective, were submitted for assessment.

In my opinion this non-competitive feature was a great fillip for Councils during the past $2 \frac{1}{2}$ tough years.

The use of a cost benefit ratio method as used in competitive grant programs, would naturally count against smaller councils when their projects would be compared against projects from larger population centres. All rural /regional communities were/are hurting from the previously mentioned challenges and external stimulus funds would be most welcomed by all Councils.

C. Projects - Inverell Council

Inverell Council received funding for seven (7) projects. The total cost of these projects was \$2.975M, with the SCCF contributing \$2.516M and Council the remaining funds.

These projects were planned and 'shovel ready' but would not have been undertaken so quickly without the funding by SCCF. The early delivery of the projects has the obvious benefits for users, but other benefits were the economic stimulus for our economy and skilled labour retention.

Council chose to utilise local contractors to carry out the majority of the work on the infrastructure projects. Council staff with specialist skills were used when these specialist skills were not available in the community. A broad range of skilled tradespersons were engaged on the delivery of these projects.

The youth programs that are currently being delivered utilise skilled contractors/presenters both from within and outside this region.

The SCCF monies were not utilised to meet Council's payroll obligations for its permanent workforce.





D. Summary

I support the SCCF, as the program:

- Was timely
- Funded planned and necessary projects
- Supports all regional council, and
- · Provided a vital local economic stimulus.

I congratulate the Government for this initiative.

Yours faithfully

CR PAUL HARMON

MAYOR