

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

Organisation: Gunnedah Shire Council

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Mr David Shoebridge MLC
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Dear Committee Members

Inquiry into the integrity, efficacy and value for money of NSW Government grant programs

Council welcomes the opportunity to make this submission to the above named inquiry. This submission uses the terms of reference for its heads of consideration.

(a) Range and availability of funding programs, including but not limited to:

(i) discretionary grant funds such as the Premier's Discretionary Fund and the Deputy Premier's Miscellaneous Grants

Council considers that there is merit in having such discretionary and miscellaneous funds with appropriate controls in place under the direction of key parliamentary positions such as that of the Premier and Deputy Premier. It is considered necessary that in the interest of agility and responsiveness to needs of NSW and the ability of our State's government to meaningfully and effectively respond to opportunities as they arise for the betterment of NSW and its people. Further, anything within the bounds of appropriate controls and procedures, which reduces overhead in the distribution and administration of funds to worthwhile projects can only have a positive impact on the standing of NSW.

(ii) local government funding such as the Stronger Communities Fund and Stronger Country Communities Fund

Council applauds the State Government on the initiative of these programs and puts forward three key reasons for its enthusiastic support of such. The first being that this is the first program of its type where each LGA across NSW is assured without competition of a distribution of critical funding where they can submit a meritorious project. This is critical for not only equity in distribution of available funds and economic stimulus at a time where so many LGA's across the State regardless of the flavour of the incumbent local member, and in particular regional NSW, are struggling under the impacts of the worst drought on record followed by COVID-19.



Secondly, the demonstrated benefit to our Shire through those projects funded under the Stronger Country Communities Fund which may have otherwise not gained funding where a need to compete against other projects from a pool open to all; recognising that it is always a challenge to distribute funds from a pool of funds across a broad and equitable base where some larger projects may lay claim to funds that leave insufficient funds to support numerous other projects. This does not mean that there is a question of the efficacy or merit of these projects, but rather simply acknowledges that these program streams have provided an equitable opportunity for meritorious projects across all LGAs regardless of political flavour.

The projects funded within the Gunnedah Shire Council LGA are listed following. All of these projects demonstrated clearly the **whole of community support** for such State and Nation building type of investment, as was done through the measures implemented by the NSW Government and have since been unreservedly welcomed by the community during their delivery.

Project and SCCF Funding Round	Project Value	SCCF Funding
Livvi's Place Inclusive Playground – SCCF Round 1	\$1,661,922	\$850,000
Gunnedah Equine Precinct – SCCF Round 2	\$965,122	\$708,595
Gunnedah Showground Renewal and Upgrade – SCCF Round 2	\$999,663	\$801,000
Gunnedah PCYC Multi-purpose Fitness Room – SCCF Round 2	\$92,710	\$92,710
Gunnedah & District Soccer Clubhouse Upgrade – SCCF Round 3	\$340,943	\$340,943
Gunnedah Golf Club Safety Fencing Project – SCCF Round 3	\$276,111	\$272,766
Gunnedah Women's and Children's Shelter	\$196,314	\$196,314
Total of SCCF Projects	\$4,532,785	\$3,262,328

As demonstrated by the above list of Gunnedah LGA projects funded under the 3 rounds of Stronger Country Communities Fund, community organisations have been able to secure funding, not just local government, in order to deliver key projects for the community that otherwise may not have had an opportunity at such a critical time for many regional communities.

Thirdly, and finally, these funding streams provide the NSW Government, current and all future governments, a model which should remove an element of administrative costs in evaluating competing projects. This means of course, even with appropriate controls to ensure the project is still of integrity and merit, that a greater amount of funding actually hits the ground for projects across the state, and therefore improve the ratio of project delivery to administration overheads; something which the State should be aiming to emulate wherever possible.

(iii) arts funding such as the Regional Cultural Fund

Council has been fortunate enough to secure funding for a project which recognises indigenous culture and heritage significance within our Shire. The successful project is a Rainbow Serpent Water Feature. Funding received amounted to \$152,725 and the total project cost was \$332,955. This project has been recognised as the winner in the LGNSW Leo Kelly OAM Arts and Culture Award for 2020. An extract from the LGNSW announcement is included below.

Division A (population less than 30,000)

Winner: Gunnedah Shire Council - Gunnedah's Rainbow Serpent Water Feature Project

Judges' comment

An extraordinary story of persistence and admirable Aboriginal-led art. The capacity to engage not only with the women creating the sculpture but the support of the community is innovative.

(iv) sports funding such as the Greater Sydney Sports Facility Fund and the Regional Sports Infrastructure Fund

Gunnedah Shire Council made application under the Region Sports Infrastructure Fund, however was unsuccessful. Despite that, Council welcomes programs such as these and congratulates the current NSW Government for investing in, and providing regions the opportunity to co-fund, projects which deliver much needed regional infrastructure that does not need to meet strict Treasury driven Cost Benefit Analysis where the outcomes are not necessarily or primarily economically oriented; at least in the short term. There is of course much recognised social and community health and well being, and resilience benefit in regional sporting infrastructure.

(v) jobs for NSW funding, including the review into Jobs for NSW.

Council applauds the NSW Government for investing in jobs in NSW and not simply being content with the way things currently operate. There is a critical need in regional NSW to improve on targeted training delivery to create labour supply for businesses which are the backbone of regional economies that are struggling to source appropriately skilled labour.

(b) the manner in which grants are determined, including:

(i) the oversight of funding determinations

The mix of criteria required to be met in the funding streams addressed above is appropriate, allowing for merit based determinations on economic grounds where suitable and on other criteria, such as in the case of regional sports and cultural streams, where less economically driven. There has been no evidence from Council's perspective that there has been any less oversight of funding determinations than that of any other grants scheme. The provision of non-politically biased funding to all LGAs such as under the Stronger Country Communities Fund would further evidence this, whilst ensuring an equitable distribution of available funding without the related competition otherwise required. It should be stressed that the absence of competition can not be mistaken for reduced oversight or merit selection of projects.

(ii) the transparency of decision making under grants schemes

Council has seen no suggestion through its successful and unsuccessful applications that there is any question of a lack of transparency in determinations made under these grants schemes, and certainly no less transparency than any other grants schemes.

(iii) the independence of the assessment of projects

The independence of the assessment of projects has not been a concern for Council in any respect. Council again has been both successful and unsuccessful under various funds in the above nominated streams of funding, and where unsuccessful there has been no concern about independence of assessment being a factor. And once again, when comparing the process for the determination of these grants against others, both at a Federal and State level, the independence of the assessment process can only be concluded to be at least equivalent.

(iv) the role of Members of Parliament in proposing projects for funding

Members of Parliament are well placed to be informed upon and propose projects that they know to be of benefit to their respective electorates. Using as an example the Stronger Country Communities Fund, that yielded funding for all LGAs independent of whether the local members formed part of the government or opposition, Members of Parliament would be well placed to assess the relative merits of their community projects vying for that funding knowing that the funding was there for each LGA.

(v) the scope of Ministers' discretion in determining which projects are approved

With appropriate controls in place, including consistency within the process and as with all sources of grant funding, it is hard to see what issue can genuinely be taken with a respective Minister having discretion over the ultimate determination of projects.

(c) measures necessary to ensure the integrity of grants schemes and public confidence in the allocation of public money, and

As identified in the other items of the submission above, it is held by Council that appropriate measures have been in place to ensure the integrity of the related grants schemes and public confidence in the allocation of public money. Certainly, there has been no evidence that such has been subordinate to any other grants schemes in existence. In fact, as already identified, there are definite additional benefits in programs such as the Stronger Country Communities Funding scheme as outlined above without detriment to integrity or public confidence.

(d) any other related matter.

Council wishes to acknowledge and congratulate the NSW Government on a genuine recognition of regional NSW, not just in word but through public investment through grants schemes such as those subject to this inquiry. It is widely known and accepted that private investment will follow public investment and confidence. Further, provision of equitable distribution of public investment in projects across LGAs ensures delivery of local community, regional and state building projects which may not otherwise occur.

Council thanks the Public Accountability Committee for the opportunity to make this submission and hopes that its consideration endorses the grants schemes that is the subject of its consideration.

Your faithfully

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MAYOR

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