

COUNTRY LOCAL GOVERNMENT FUND ALLOCATIONS

298. Hon HELEN BULLOCK to the parliamentary secretary representing the Minister for Regional Development:

I refer to country local government fund allocations.

- (1) What do the regulations governing country local government fund allocations stipulate in regard to the time line for the expenditure of the funds by each local council?
- (2) Do the regulations governing CLGF allocations allow a council to reallocate funds from an approved project to another project not the subject of the original funding application?
- (3) How does the Department of Regional Development and Lands monitor completion of projects undertaken by local governments funded by the CLGF?

Hon WENDY DUNCAN replied:

I thank the honourable member for some notice of the question.

- (1) For each individual local government, the 2010–11 guidelines stipulate that —
Before receiving the first instalment of 2010–11 funds, recipients are required to fully acquit their 2008–09 allocation, complete a forward capital works plan to the satisfaction of RDL —
That is, the Department of Regional Development and Lands —
and enter into a Financial Assistance Agreement.
The guidelines for 2010–11 state that the preference is for funds to be spent in the year in which they were paid. However, local governments will be given up to two years from the date of payment to fully acquit these funds to RDL's satisfaction.
- (2) The guidelines allow a council to reallocate country local government funding from the original application, but councils will need to seek RDL's approval in writing.
- (3) Once a financial assistance agreement is entered into, local governments are required to report to RDL under section 4.6 of the FAA. Local governments are required to provide RDL with progress and financial reports on a quarterly basis, an audited annual report on the project and, at the completion of the project, an audited acquittal. In 2008–09 as a condition of funding, all financial assistance recipients were required to have their fund expenditure audited. Documentation of this audit needs to be forwarded separately to RDL and included in the recipient's annual report. Compliance with reporting requirements for the fund was also included in the annual compliance audit return.