



GOVERNMENT OF  
WESTERN AUSTRALIA

# Structuring Regional Development for the Future

*A Review of the Functions and Responsibilities of  
Regional Development Commissions*

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November 2010

***Briefing on the Review of  
the Regional Development  
Commissions***

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## What were the review's Terms of Reference?

The Review Committee was asked to consider and report on the functions, responsibilities and structures of RDCs, having regard to:

- The effectiveness and cost efficiency of the RDCs in achieving their objects and functions specified in Section 23 of the *Regional Development Commissions Act 1993*;
- The effectiveness of the existing model in achieving the Liberal-National Government's commitments to regional development, having regard to any overlap, duplication of effort and approaches in other jurisdictions;
- Any improvements in government service delivery for regional development considering governance arrangements, administrative operations, regional decision-making, regional accountability, avoidance of duplication and the roles and responsibilities of other agencies and organisations; and,
- Legislative amendments that may be required.

## What was the review's approach?

The Committee gathered evidence through the following:

- A comprehensive consultation process, assisted by an issues paper, which allowed the public and stakeholders to provide written and verbal submissions.
- The contracting of an independent consultant to undertake an analysis of the submissions and to report to the Committee independently.
- The contracting of a consulting firm (PricewaterhouseCoopers) to provide a specialist and independent examination on the efficiency and cost-effectiveness of the RDCs, based on a Value for Money audit.
- Formal and informal consultations with key stakeholders, including RDC CEOs and boards.
- Desk-top research on best practice for regional development, including inter-jurisdictional comparisons.

## Who did the review talk to?

The Committee:

- Met with all the RDCs at the commencement of the review and asked them their thoughts on the Terms of Reference and the future of regional development.
- Published an issues paper – this resulted in 207 submissions being received.
- Interviewed and met many interested parties, including local government members and WALGA, directors general of State government agencies, politicians (past and present), as well as members of the public and community groups.

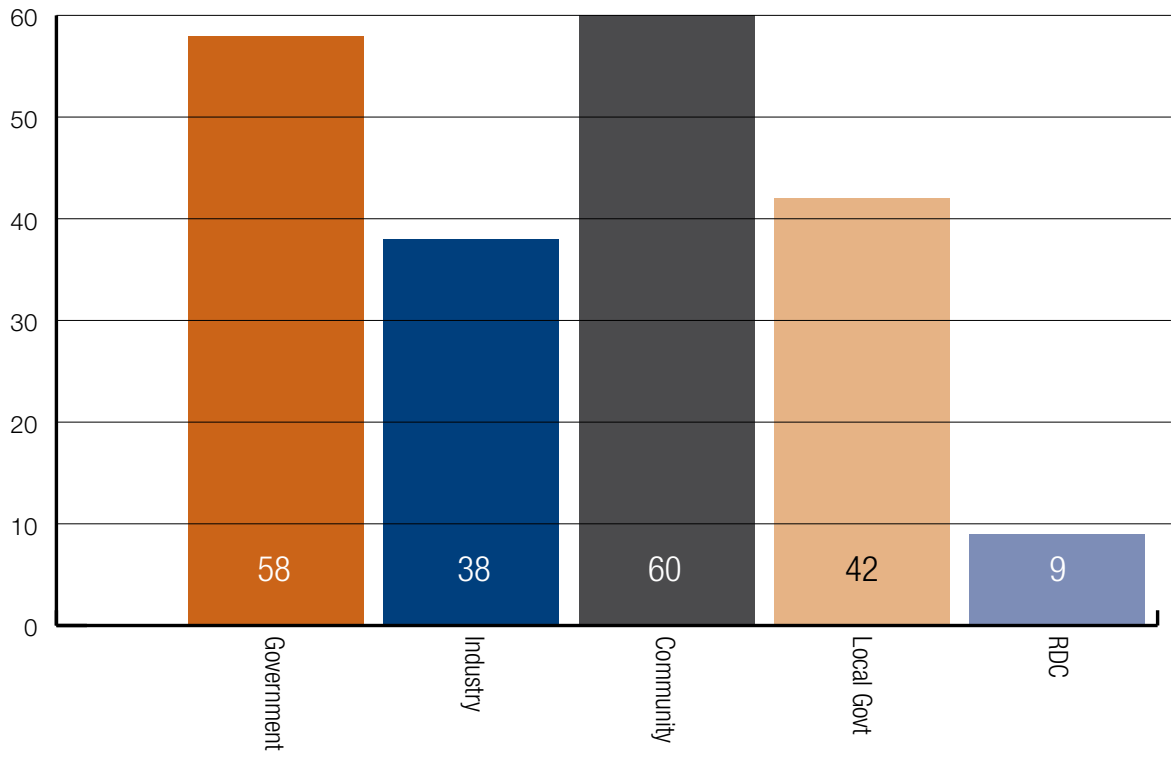


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## The 207 Submissions



## What was the review told?

Based on regional governance elsewhere:

*If regional governance in Western Australia were to be measured against jurisdictions elsewhere in Australia, then the RDC model, with its local staff, CEO and board, would stand out against all other systems, which are broadly centralist in nature.*

PricewaterhouseCoopers concluded:

*At the time of PWCs visits in July and August 2010 the operating environment of the RDCs was efficient, although most were at full capacity and were forecasting increased headcounts. The weaknesses of the RDCs lay in their capacity to marshal, co-ordinate and prioritise the allocation of resources in order to efficiently support their regional objectives.*

*With increasing Royalties for Regions (R4R) funding and the RDCs reaching capacity, a step change is needed to ensure the RDCs continue to meet their objectives. Possible changes include increased resourcing and more effective use of the resources available and/or an increase in productivity by centralising processes such as R4R administration, reporting and back-office functions.*

What we were told:

*Though there was a range and diversity of opinion from the people interviewed, there was one common and recurring theme: that regional development mattered and needed to be updated and revitalised.*

*The requested changes were not related to boundaries or roles, though these issues were raised, but were more about providing RDCs, or whatever entity is created, with authority, capacity and purpose to deliver on a reinvigorated regional development agenda.*

*The discussions also revealed a difference between how RDCs see themselves and how they are viewed by many CEOs who have key responsibilities to deliver state government agendas that affect all regions.*

*While the independence and regional governance components of the RDCs were considered important, there was a strong suggestion from the responses that the levels of responsibility and capacity in delivering were not supported by the current resources and structure.*

From the submissions:

*The review attracted significant interest and drew a high level of responses, underscoring the importance and relevance of regional development to the communities of Western Australia.*

*We asked about the current RDC model, and the responses we received demonstrated strong support for this. The responses to the review painted an overwhelmingly positive picture on RDCs, particularly with relation to stakeholder engagement, although a need for more resources was highlighted.*

*The overall system for regional development was described as being disconnected, systematic of overlap and lacking coordination, particularly in relation to future regional strategic planning.*

*Many argued RDCs or an equivalent body should fill this void.*

### **When did the Review Committee report?**

The Committee's report was presented to the Minister for Regional Development on 26 November 2010.

### **What did the Review Committee recommend?**

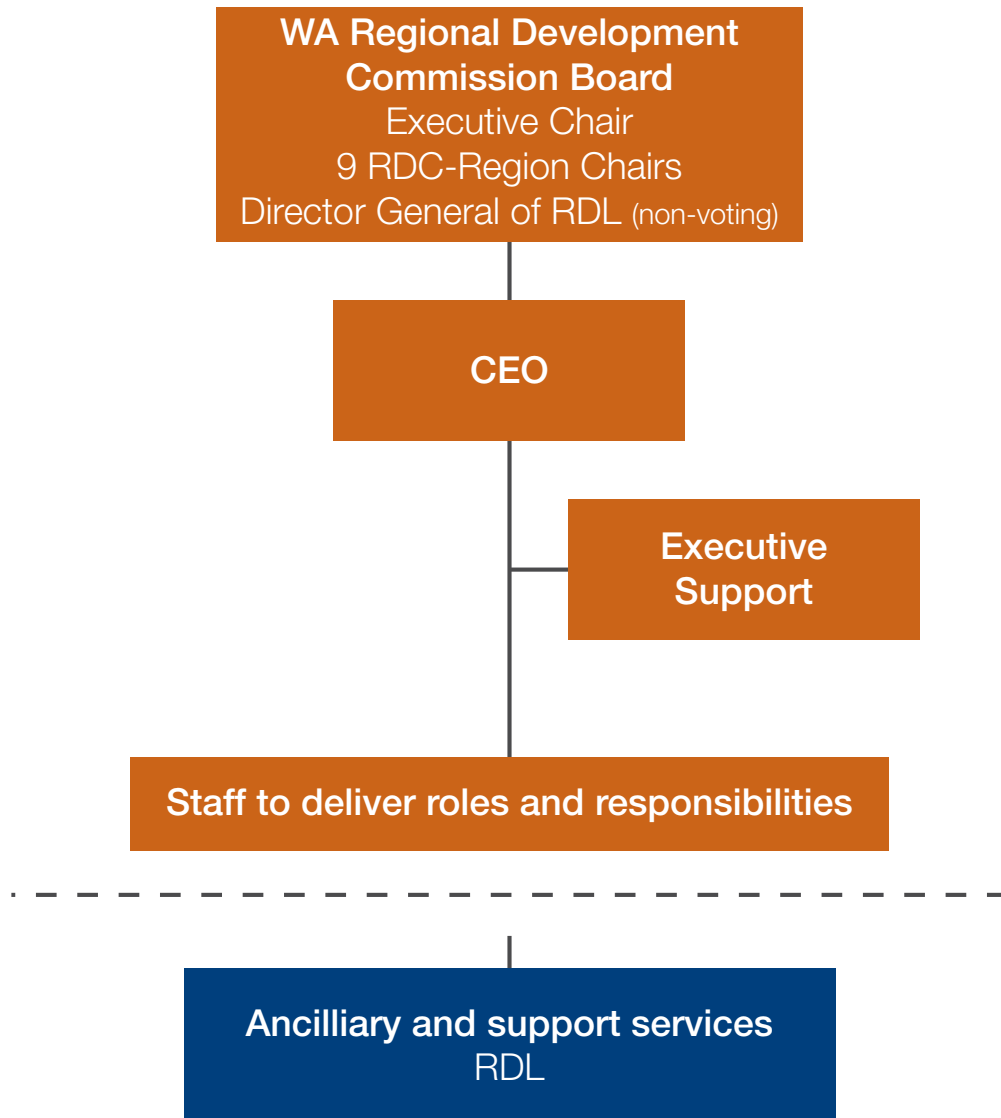
In summary it was recommended:

- That a new statutory authority should be established named the Western Australian Regional Development Commission (WARDC), with the current Regional Development Commissions (RDCs) becoming regional offices of the WARDC (to be known as RDC – and then the name of region, eg. RDC – Pilbara). The WARDC will be the employing authority of its staff, and some existing RDC staff will be transferred to the Department of Regional Development and Lands (RDL) with the transfer of ancillary and support services.

- The membership of the Board of the WARDC be comprised of an executive chair, appointed by the Minister for Regional Development (the Minister), chairs of the regional offices board, and one non-voting ex-officio member: the Director General of RDL.
- Each regional office should retain its own board, guiding the functions and priorities of the regional office.
- That the WARDC should have its own chief executive officer and key staff.
- That the Department of Regional Development and Lands (RDL) should provide ancillary and support services.
- To ensure collaboration across departments and agencies, the WARDC should initially be located in the metropolitan area.
- That the Minister should define the roles and responsibilities for the WARDC and RDC - Regions.
- Importantly, this should include RDC – Regions developing a pre-eminent regional development plan for the region.

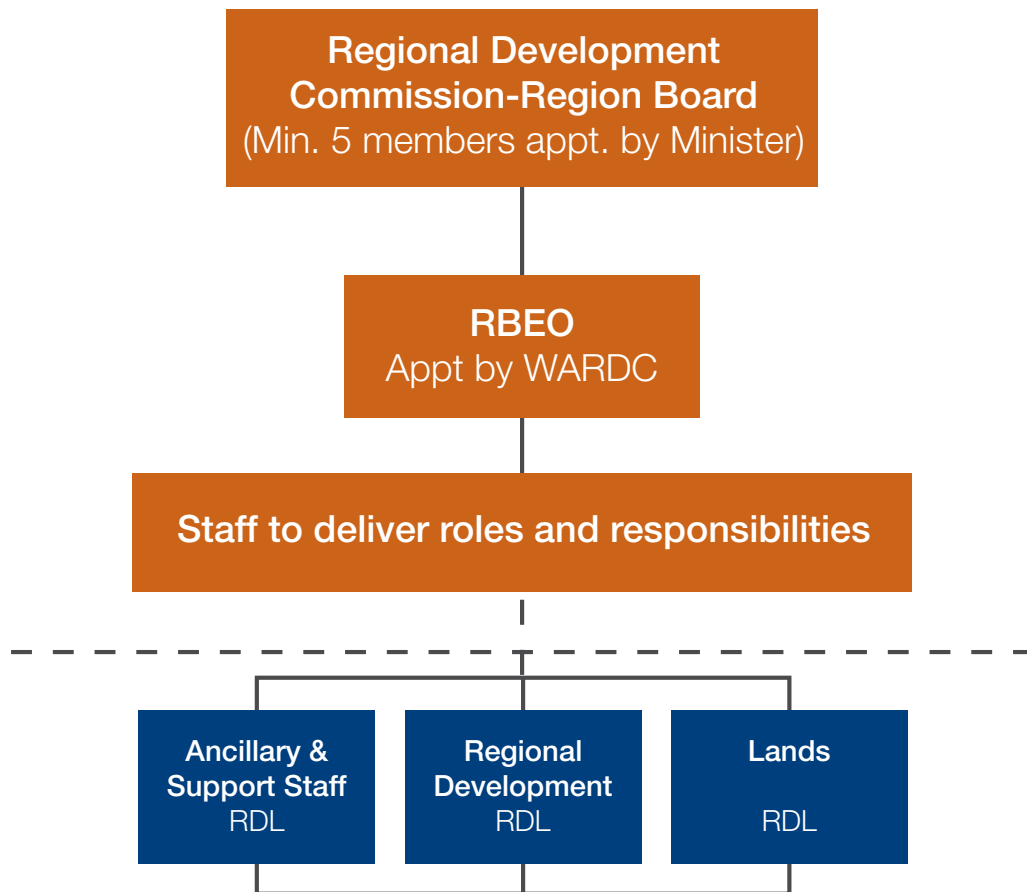
- That structural reforms should be supported by:
  - a skills assessment of the new WARDC and RDL to ensure they are equipped to deliver new roles;
  - the Minister developing a performance management and accountability framework for agencies under the portfolio;
  - the Minister arranging a review of government agency regional boundaries;
  - a group at chief executive officer level facilitating cross-agency collaboration on regional development;
  - the Minister developing a framework for monitoring regional partnerships and forums to ensure their efficiency in achieving horizontal integration and providing ongoing support and guidelines;
- RDL and the Department of Indigenous Affairs identifying solutions to enhance Aboriginal partnership and Governance with a view to developing a policy position for Cabinet; and
- all state agencies undertaking a review of their regional locations with a view to looking at opportunities for collocation.
- That a working party be created to strengthen integration of statutory land use planning, regional development and local government service delivery in the Pilbara Region.

# The WARDC





# The Regional Model





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