



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

## Q&A

“The OECD identified that one of the reasons why regional development is ‘high on the agenda’ of its member governments:

- is there is often large unused economic potential that would be better exploited and contribute to the wellbeing of rural citizens and to overall national development.”

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## A. 10 General Questions

### A1. Why was there a review of the RDCs?

The Minister for Regional Development set up the review in response to a request from the Economic and Expenditure Reform Committee (this is a Cabinet sub-committee).

### A2. When did the review start and end?

The first meeting of the Review Committee was held on 27 April 2010.

The deadline for the review was 30 September 2010 but this was extended to 30 November 2010 because of the number of submissions received and the complexity of issues.

### A3. 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.

### A4. Who was on the Review Committee?

Hon Wendy Duncan MLC, Parliamentary Secretary to the Minister for Regional Development (Chair)

Mr Graham Thomson, Regional Development Council Chair

Mr Doug Cunningham, Chief of Staff to the Minister for Regional Development; Lands

Mr Mal Wauchope, Public Sector Commissioner

Mr Paul Rosair, Director General of the Department of Regional Development and Lands (RDL)

### A5. What was our 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 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.

### A6. Who did we talk to?

The Committee:

- Met with all the RDCs at the commencement of the review and asked them for their feedback 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.

### A7. What questions did we ask?

How should Government be organised to improve services and support for regional development?

- what the model for delivering regional development should look like?
- to what extent is regional governance being currently achieved and how could it be improved?
- in thinking about alternative models are there services and functions that should be grouped?
- are there any models of delivery that you do not support and why is this?

How are Regional Development Commissions performing?

- how well are the RDCs achieving these functions, are there any gaps?
- how well do RDCs work with local stakeholders and to achieve their role?
- what optimal size and resources do RDCs need to operate effectively?
- to what extent are there areas of overlap with Local, State and Commonwealth governments?
- if there is overlap, is this affecting flexibility and responsiveness?
- are there other services or activities that can be delivered on by RDCs?
- is the existing legislative framework adequate?

### **A8. What were we 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.*

### **A9. When did we report?**

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

### **A10. Can you have a copy of the report?**

The report and a summary of the report is on the RDL website:

<http://www.rdl.wa.gov.au/Content/RD/ReviewRDC.aspx>

## B. 10 Questions on the New Model

### B1. What did the Review Committee recommend?

The Committee's full recommendations are **Attachment 1** to this document. In summary it was recommended:

- That a new statutory authority should be established named the Western Australian Regional Development Commission (WARDC), with the current RDCs becoming regional offices of the WARDC (to be known as RDC – and then the name of region, eg. RDC – Pilbara). Each regional office should retain its own board, guiding the functions and priorities of the regional office.
  - 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.
  - That the WARDC should have its own chief executive officer, appointed by the Public Sector Commissioner.
  - That the WARDC should be serviced by the Department of Regional Development and Lands (RDL) for its ancillary and support services, such as corporate services, grant administration and assistance with policy, research, strategic issues and co-ordination. 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 to assess the 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.

See **Attachment 2** for organisational charts for the WARDC and RDC-Regions.

## **B2. How will the new structure be different from the current structure?**

The main changes are that:

- RDCs will become offices of a new statutory authority, the WARDC, who will become their employer.
- RDCs will have enhanced roles and responsibilities that are more strategic focused.
- RDCs will be freed up to undertake these enhanced roles and responsibilities because RDL will undertake support and ancillary responsibilities. This will provide RDL with a vehicle to create a greater regional presence.
- Royalties for Regions decision-making at the local level will not change.
- There will be only one statutory authority, rather than nine.

## **B3. Will the new structure require a change to legislation?**

Yes

## **B4. What will be the roles and responsibilities of the WARDC, and where will it be located?**

The Committee recommended that the Minister develop the WARDC's roles and responsibilities to include:

- coordinating and consulting with key government and non-government agencies, organisations and stakeholders on regional development policy;
- developing a state-wide perspective on regional conditions, including market failures and opportunities for growth;
- providing state-wide views, plans, advice and recommendations to the Minister;
- creating a framework for the development of a regional blueprint to manage growth in a sustainable way, ensuring the integration of government planning, and as a resource for industry and not-for-profit organisations;
- delivering on policy requirements and facilitating joint regional office initiatives relating to regional development that individual offices cannot meet;
- recommending to the Minister prioritisation of Royalties for Regions grants allocation for disbursement by RDC - Regions, working with the Western Australian Regional Development Trust (the Trust);
- providing a general managerial and administrative oversight role for RDC - Regions, including —
  - endorsement of the appointment and deployment of staff;
  - strategic financial resource management;
  - endorsement of strategic, business and operational plans;
  - endorsement and monitoring of regional objectives; and
  - peer assessment and evaluation.

The Committee recommended to ensure collaboration across departments and agencies, the WARDC be initially located in the metropolitan area. This was a decision that came after a great deal of consideration on the issues – the following some of these issues:

*Periodically the government has expressed a general interest in establishing government agencies outside of the metropolis. There is a case that the WARDC should have its offices located outside of the metropolitan area to illustrate its regional commitment, retain regional links of the existing Council and ensure its operational independence from RDL. There may also be cost-savings on leasing and other expenses.*

*On the other hand a decision to base the WARDC in any region could attract criticism that the chosen region has been favoured at the expense of the others.*

*From a practical point of view, distance and access to Perth may not favour some regions and there are benefits to having the WARDC located in close proximity to the Minister and the offices of major government agencies, including RDL. Travel across regions can also involve a trip to Perth and an onward journey and this would cause disruption and inefficiencies.*

*There is no clear answer to these issues and some of the submissions received illustrate that any such decision may be controversial. The decision must be one determined according to Government policy having regard to the practical issues as outlined above.*

*Given the importance of the WARDC agenda to move regional development forward in a wider state and strategic context, and following the present location of the Council, a metropolitan location is, therefore, the preferred option.*

*Regional meetings should be continued by the new statutory authority should the offices of the WARDC be in the metropolitan area.*

## **B5. What will be the roles and responsibilities of RDC-Regions?**

An important consideration for the Committee was that its recommendations on the structure for regional development met the directions set out by the Economic Audit Committee in its report Putting the Public First - Partnering with the Community and Business to Deliver Outcomes, particularly relating to:

- cross-sector collaboration (recommendations 6 and 10);
- better workings with the community sector (recommendations 12 and 14); and,
- performance improvement (recommendations 3, 6 and 15).

The Committee recommended that the Minister develops RDC-Regions roles and responsibilities to include:

- being the lead coordinator in the regions, for the purpose of coordinating the multiplicity of government and non-government efforts;
- proposing economic and social growth initiatives, including through Royalties for Regions grant funding;
- monitoring regional social and economic development, including market failure, in order to identify specific agency or whole-of-government actions;
- planning to enable the development of a regional blueprint within the framework developed by the WARDC, ensuring the integration of government planning, and as a resource for industry and not-for-profit organisations;
- leading on regional development integration of government, business, industry and community partners, through data collection, information provision, promotion, coordination and facilitation;
- providing regional, strategic, high-level advice and recommendations to the WARDC, and through the WARDC to the Minister;
- addressing regional policy matters referred by the Minister through the WARDC.

## **B6. Will there still be local boards, and if so, will they be different?**

Yes, RDC-Regions will have their own boards, as is the case currently with RDCs.

The Committee recommended that boards comprise of a minimum of five members appointed by the Minister based on experience, skills and competencies related to the region.

To ensure local independence roles and responsibilities would be clearly defined by legislation and reflect higher level functions, with WARDC and RDC - Regions being required to apply these flexibly to the conditions and needs of a region and to advance regional development across the state.

RDC-Regions will operate mostly as the RDC boards do now. The main difference will be that they will not be a management board responsible for the staffing and operations of the local office. This is intended to free boards up to attend to more strategic, rather than operational matters.

In most respects, RDC-Regions would, generally, continue to promote the region, coordinate other agencies, provide advice and award/recommend Royalties for Regions grants.

## **B7. What roles and responsibilities will RDL have?**

The Committee recommended that given the strategic role of the WARDC, and the geographical service areas, consideration be given to entering into a service-level agreement with RDL for ancillary and support services, such as:

- corporate services;
- grant administration; and,
- assistance with policy, research, strategic issues and co-ordination.

For RDC-Regions this will enable them to focus on priority work areas.

Such arrangements would extend to the support of the WARDC.

## **B8. What will be different for RDCs?**

The RDC-Regions will have enhanced roles and responsibilities.

In particular this will include leading on, and developing regional blueprints that will set the future directions of a region. The Committee recommended that blueprint should serve the following purposes:

- it should be the pre-eminent regional development plan for the region, beyond any other plan, and include all government agencies in order to break down silo mentality;
- it should reflect the input from, and have the endorsement of, all levels of government and the community in the region;
- it should have mandated authority to ensure that the regional office of the WARDC brings people together to develop a blueprint; and
- it should be a reference point for any relevant plan for a government department or agency.

The following describes some of the issues considered by the Committee leading to its recommendation:

*The development of RDC – Region strategic plans/ blueprints should be a major component of future roles and a key vehicle for achieving integration, as well as being essential for future federal and state funding for projects.*

*The Review Committee has not developed any comprehensive description on how these documents should be created, consulted upon or authorised, and significant work needs to be done on this, including partnering with the Department of Planning. A framework for the development of the RDC – Region strategic plan/blueprint needs to be developed.*

## **B9. Is there a loss of independence or autonomy?**

The RDC-Regions boards will have access to enhanced strategic and planning roles but this will not include a managerial function for the local office.

A safeguard for the board is that the position that will replace the CEO (referred to by the Committee as a Regionally Based Executive Officer – REBO – or a General Manager) would work directly through the local board, exercising powers devolved by the WARDC.

The RBEO would by way of administrative arrangements report to the CEO of the WARDC.

Although staff in the RDC – Region would be subject to the general managerial and administrative oversight of the WARDC they would be under the supervision of the RBEO and there would be a high level of autonomy for the RBEO to manage local operations.

The board chairs will form the majority of the WARDC Board.

Although the RDC-Regions would not be statutory authorities themselves they will be the regional offices of the one new statutory authority – the WARDC.

Roles and responsibilities of the RDC-Regions will be entrenched in legislation.

RDC – Region board members will be appointed by the Minister for Regional Development.

The following describes some of the issues considered by the Committee leading to its recommendations:

*The landscape for economic development has changed radically since the RDCs were created in the early 1990s. When the legislation was drafted there were issues of unemployment, now the issues are more associated with skills shortages. The picture is not uniform and a one-size-fits-all approach would not work.*

*Regional development has a far sharper focus in Western Australia than was once the case. Regional development has an economic, as well as a social end.*

*RDC - Regions should be concerned with enhancing sustainable growth in their region, and identifying impediments to that occurring. Sustainable growth needs to be emphasised and defined in future roles.*

*RDC - Regions should largely be in the business of addressing the realities of market failure in their regions, through identifying supporting evidence and driving and coordinating responses. The existence of a market failure is often used as a justification for government intervention. This would differ from region to region and should reflect different conditions, for example population loss (Wheatbelt) or skills shortages and population expansion (Pilbara).*

*RDC - Regions should be a key source, through the new strategic planning roles, for identifying these conditions to avoid performance turning or continuing downwards. The description of regional conditions would contribute to the development of a state picture, and assist in appropriate actions being taken state-wide and regionally.*

## **B10. What are the benefits of the changes?**

The Committee's recommendations have the advantage of providing:

- for a new peak body with its own executive chair and staff whose work will be focused on setting strategic directions, policy and prioritisation, and strategies common to all RDC-Regions;
- Ministerially appointed RDC-Regions boards with enhanced functional strength, greater strategic thinking, and wider regional development planning and decision-making roles;
- for the development of blueprints that will set the future directions of a region;
- efficiencies in non-core work being undertaken by RDL, that will better support RDC-Regions;
- a foundation for integration of players at the regional, state and Commonwealth levels;
- a basis for all government agencies to review their regional operations and boundaries;
- a way forward on the issue of making Aboriginal partnership and governance work in practice; and
- a more sound basis for Royalties for Regions investments.

The benefits of the Committee's recommendations include:

- The approach presents a strong basis for a forward-thinking, strategic and integrated structure in which regions can prosper in Western Australia.
- It retains a genuine local presence in staffing, leadership and governance.

- It creates greater flexibility through better arrangements for cooperation between regional offices and with RDL and clarifies accountabilities by reducing multiple reporting lines.
- It places authority and control with local boards for coordination and promotion of economic development of their region, as is the case currently for RDCs. Importantly it expands roles and provides for better integration, providing a state platform for work done in the RDC-Regions.
- Local boards would continue to be made up of ministerial appointees.
- RDL should take on a support role through their Service Level Agreement to ensure that RDC-Regions can thrive, focusing on new directions without getting distracted by ancillary and support services. This mitigates the risks and would improve efficiencies.
- The model is unlikely to lead to direct cost savings, but should ensure that regional development works better and this would have a significant net positive and on-going economic effect, regionally and state-wide.
- Functionally, there is not a radical change in the basic parameters of roles and responsibilities; economic development and governments' role in addressing market failures continue to be the focus. The approach is being brought up to date and the importance of sustainability is emphasised.
- Future planning, through the key components of developing regional blueprints and integration of local players, will ensure the balancing of the resources going into regional development with a robust structure.

## C. 10 Other Points of Clarification

### **C1. A new regional development definition.**

The Committee adopted the following new definition for regional development:

*In Western Australia, regional development is a generic term used to describe a variety of social, economic and environmental policy, planning and funding methods that provide opportunities for individuals, families, communities and businesses, outside of large well-developed urban settings, so they are able to prosper in a sustainable fashion.*

### **C2. Guiding Principles for regional development.**

The Committee adopted the following Guiding Principles for regional development:

- wherever possible the principle of localism should be adopted;
- there should be an integrated approach to regional development workings and planning;
- partnerships should be sought wherever possible to maximise potential, resolve issues and develop joint responses to problems and failures;
- capacity and sustainability must be developed for enduring regional development; and,
- resources and investments must be coupled with performance management and accountability systems.

### **C3. A recommendation on undertaking a skills assessment.**

The Committee recommended:

*that as part of the transition to the new arrangements, a skills assessment of roles and responsibilities of the current arrangements be undertaken to ensure the new WARDC and RDL are equipped to deliver the intended outcomes of the new model*

The following describes some of the issues considered by the Committee leading to its recommendation:

*The reforms do not purport to be aimed at cost savings but should give greater efficiency for the delivery of regional development. The new structure warrants a review of the skills and competencies that will be needed for the new WARDC and RDL, with a view to the fulfilment its roles and responsibilities.*

*The skills assessment should be designed to ensure that human resources can meet the demands of regional development in the next five to ten years.*

### **C4. A new performance management and accountability framework.**

The Committee recommended:

*that the Minister develop a performance management and accountability framework for agencies under the portfolio*

The following describes some of the issues considered by the Committee leading to its recommendation:

*The building blocks for a framework of performance management and accountability need to be developed to ensure future effective vertical integration, particularly for the RDC-Regions, the WARDC, the Trust and RDL.*

### **C5. Agencies and their boundaries.**

The Committee recommended:

*that the Minister arrange a review of government agency regional boundaries, with a view to consolidating and possibly standardising the boundaries*

The following describes some of the issues considered by the Committee leading to its recommendation:

*The Review Committee deliberated the issue of common boundaries for agencies and noted that there were similar issues interstate. It makes practical sense that there should be common boundaries based on those specified in the RDC Act, in the interests of efficiency and effectiveness, particularly relating to data gathering. But it is also appreciated that some agencies may have sound operational reasons for this not being the case.*

*Common boundaries are therefore not to be mandated for all agencies. However, all agencies, including those listed in Schedule 1 of the Public Sector Management Act 1994 should review their boundaries with a view to whether they should follow those within the RDC Act. This is consistent with recommendations 6 and 10 from the Economic Audit Committee.*

## **C6. Better collaboration on regional development.**

The Committee recommended:

*that an existing group be used to facilitate cross-agency collaboration on regional development at a chief executive officer level e.g. the Royalties for Regions Directors General Reference Group*

The following describes some of the issues considered by the Committee leading to its recommendation:

*It was noted by the Review Committee that a number of high level groups exist in the Western Australian Public Sector, comprising of directors general, concerned with issues such as land release, Royalties for Regions, appropriations and human services. In another Australian jurisdiction similar groups exist for regional development.*

*These groups ensure that there is a close level of engagement and coordination on major issues, as the most senior bureaucrats come together to review and plan on mutual agendas. While informal groups are likely to exist a more formal cross-portfolio forum would ensure that there is proper and constant representation and the administrative arm of Government is working in a coordinated way on regional development.*

There is, however, an issue of the number of groups that already operate and the time pressures these place on senior staff and directors general.

*Vertical integration would be greatly assisted if an existing directors general group were used that included the biggest agencies, like health and education, such as the Royalties for Regions Directors General Reference Group, to facilitate cross-agency collaboration on strategic regional development issues.*

## **C7. Improving coordination at the regional level.**

The Committee recommended:

*that the Minister develop a framework for monitoring regional partnerships and forums to ensure their efficiency in achieving horizontal integration and providing ongoing support and guidelines, particularly relating to Regional Development Australia organisations, Natural Resource Management offices, Community Resource Centres, tourism and the Small Business Development Corporation*

The following describes some of the issues considered by the Committee leading to its recommendation:

*Horizontal integration, getting all the local players working together with common goals, was a key part of evidence considered by the Review Committee to ensure successful regional development.*

*Practically, this would work on a number of different fronts, including government agency coordination, particularly for education and health, as well as workings with local bodies such as Natural Resource Management offices, Community Resource Centres, and for tourism and small business development.*

*RDC-Regions should have a vital role in being a single point of contact for the regions and therefore would need to be working closely with all local partners. They need to be able to do this in a flexible way.*

*The Review Committee did not consider it appropriate to approach any recommendation related to such these forums on a one-size-fits-all basis, as local conditions and arrangements will differ. RDC-Regions would need to be able to demonstrate that they are organised to drive and coordinate regional development agendas with local partners.*

*This should commence with the development of a framework including monitoring regional partnerships and forums to ensure their efficiency in achieving horizontal integration, and ongoing support and guidelines being put into place to support effective collaborations.*

### **C8. Aboriginal partnership and governance.**

The Committee recommended:

*that RDL and the Department of Indigenous Affairs identify solutions to enhance Aboriginal partnership and governance, to realise human capital for the state, and develop a policy position for the Minister and the Minister for indigenous Affairs, and Cabinet*

The following describes some of the issues considered by the Committee leading to its recommendation:

*The Review Committee acknowledged the importance of Aboriginal partnership and governance to realising human capital for the state, its legitimate position within regional development and the key roles that can be played through local solutions for advancement.*

*It was also acknowledged that there had been strenuous efforts made to address Aboriginal disadvantage in the past, and that while some progress had been made there still remains more to be done and that there was a need for new thinking on how government can effectively address such market failure.*

*There is a need for a clear public policy response to these issues and this can be translated into the activities of the RDC-Regions. If a new role is to be undertaken it is imperative that the tools and human resources are provided commensurate with any new agenda.*

*There is also a need for the ideas of the Indigenous Implementation Board and organisations such as Desert Knowledge Australia to be considered in preparing public policy, and for delivery reflecting appropriate engagement and localism.*

*The input of both the WARDC and the RDC-Regions is vital for such policy leadership and reflects the role of fostering economic and social infrastructure development in the regions. It is important that the responses, at least initially, should be high level and a 'game changer' in the way Government engages with indigenous communities.*

### **C9. Agencies co-located in the regions?**

The Committee recommended:

*that a review of Government agency regional locations be undertaken by all agencies, to assess the option of collocation for smaller agencies or those with limited regional presence.*

The following describes some of the issues considered by the Committee leading to its recommendation:

*An important part of integration is that agencies in the regions need to work together and one of the most efficient ways for this to happen is co-location.*

*There are also risks associated with a lack of proper supervision and support when one or two-person teams operate in a region.*

*The informal contact and workings achieved through physical collocation are impressive.*

*All agencies, including those listed in Schedule 1 of the Public Sector Management Act 1994, should review their current regional locations with a view to co-location with a RDC – Region office. In the case where an agency has no regional presence, or is not in all the regions, an assessment should be undertaken on whether services should be provided through a regional operation.*

### **C.10 The Pilbara and better integration.**

The Committee recommended:

*Establish a Ministerially endorsed and mandated working party to strengthen the integration and alignment of statutory land use planning, regional development, and local government service delivery within existing legislative planning frameworks for the Pilbara region.*

The following describes some of the issues considered by the Committee leading to its recommendation:

*Through the submissions, and reinforced in our discussions with stakeholders, the message was clear to the Review Committee, that there needs to be coordinated planning and grouping of services and functions. This was particularly true for the Pilbara region.*

# Attachment 1

## **A NEW STRUCTURE FOR REGIONAL DEVELOPMENT COMMISSIONS**

The Review of the Functions and Responsibilities of Regional Development Commissions recommends that:

### **A new statutory authority be established named the Western Australian Regional Development Commission (WARDC)**

1. A single statutory authority be established called 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 – see recommendation 4. Each regional office will retain its own board, guiding the functions and priorities of the regional office.

### **Membership of the WARDC**

2. 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.

### **Executive leadership of the WARDC**

3. The WARDC chief executive officer be employed under section 45 of the *Public Sector Management Act 1994*.

### **Service-level agreement between the WARDC and the Department of Regional Development and Lands**

4. Given the strategic role of the WARDC, and the geographical service areas, consideration be given to entering into a service-level agreement with RDL for ancillary and support services, such as corporate services, grant administration and assistance with policy, research, strategic issues and co-ordination. For regional offices of the WARDC this will enable them to focus on priority work areas.

### **WARDC regional office board membership**

5. Each regional office board membership be comprised of a minimum of five members appointed by the Minister based on experience, skills and competencies related to the region.

### **Location of the WARDC**

6. To ensure collaboration across departments and agencies, the WARDC be initially located in the metropolitan area.

### **WARDC roles and responsibilities**

7. The Minister develop the WARDC's roles and responsibilities to include:
  - 7.1 co-ordinating and consulting with key government and non-government agencies, organisations and stakeholders on regional development policy;
  - 7.2 developing a state-wide perspective on regional conditions, including market failures and opportunities for growth;
  - 7.3 providing state-wide views, plans, advice and recommendations to the Minister;
  - 7.4 creating a framework for the development of a regional blueprint to manage growth in a sustainable way, ensuring the integration of government planning, and as a resource for industry and not-for-profit organisations;
  - 7.5 delivering on policy requirements and facilitating joint regional office initiatives relating to regional development that individual offices cannot meet;
  - 7.6 recommending to the Minister prioritisation of Royalties for Regions grants allocation for disbursement by the regional offices of the WARDC, working with the Western Australian Regional Development Trust;
  - 7.7 providing a general managerial and administrative oversight role for the regional offices of the WARDC, including —
    - 7.7.1 endorsement of the appointment and deployment of staff;
    - 7.7.2 strategic financial resource management;
    - 7.7.3 endorsement of strategic, business and operational plans;
    - 7.7.4 endorsement and monitoring of regional objectives; and,
    - 7.7.5 peer assessment and evaluation.

## **Regional offices of the WARDC — roles and responsibilities**

The Minister develops regional offices of the WARDC with roles and responsibilities to include:

- 8.1 being the lead co-ordinator in the regions, for the purpose of coordinating the multiplicity of government and non-government efforts;
- 8.2 proposing economic and social growth initiatives, including through Royalties for Regions grant funding;
- 8.3 monitoring regional social and economic development, including market failure, in order to identify specific agency or whole-of-government actions;
- 8.4 planning to enable the development of a regional blueprint within the framework developed by the WARDC, ensuring the integration of government planning, and as a resource for industry and not-for-profit organisations. The blueprint should serve the following purposes—
  - 8.4.1 it should be the pre-eminent regional development plan for the region, beyond any other plan, and include all government agencies in order to break down silo mentality;
  - 8.4.2 it should reflect input from, and have the endorsement of, all levels of government and the community in the region;
  - 8.4.3 it should have mandated authority to ensure that the regional office of the WARDC brings people together to develop a blueprint; and it should be a reference point for any relevant plan for a government department or agency.
- 8.5 leading on regional development integration of government, business, industry and community partners, through data collection, information provision, promotion, coordination and facilitation;
- 8.6 providing regional, strategic, high-level advice and recommendations to the WARDC, and through the WARDC to the Minister;
- 8.7 addressing regional policy matters referred by the Minister through the WARDC.

## **Other recommendations relating to the structural reforms**

In supporting the structural reforms above, that the Minister considers the following:

9.1 that as part of the transition to the new arrangements, a skills assessment of the roles and responsibility of the current arrangements be undertaken to ensure the new WARDC and RDL are equipped to deliver the intended outcomes of the new model;

9.2 that the Minister develop a performance management and accountability framework for agencies under the portfolio;

9.3 that the Minister arrange a review of government agency regional boundaries, with a view to consolidating and possibly standardising the boundaries;

9.4 that an existing group be used to facilitate cross-agency collaboration on regional development at a chief executive officer level e.g. the Royalties for Regions Directors General Reference Group;

9.5 that the Minister develop a framework for monitoring regional partnerships and forums to ensure their efficiency in achieving horizontal integration and providing ongoing support and guidelines, particularly relating to Regional Development Australia organisations, Natural Resource Management offices, Community Resource Centres, Tourism and the Small Business Development Corporation.

9.6 that RDL and the Department of Indigenous Affairs identify solutions to enhance Aboriginal partnership and governance, to realise human capital for the state, and develop a policy position for the Minister and the Minister for Indigenous Affairs, and Cabinet; and

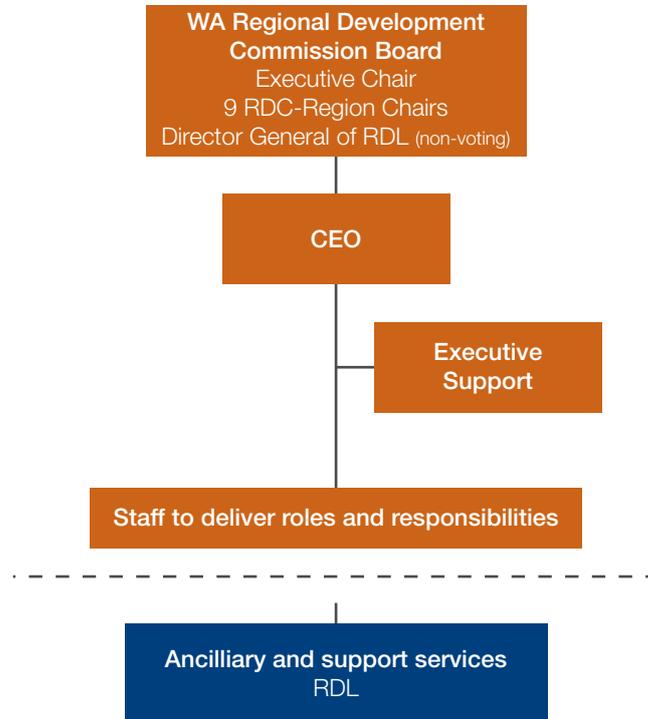
9.7 that a review of Government agency regional locations be undertaken by all agencies, to assess the option of co-location for smaller agencies or those with limited regional presence.

## **Working party to strengthen the integration and alignment of statutory land use planning, and regional development and local government service delivery in the Pilbara Region**

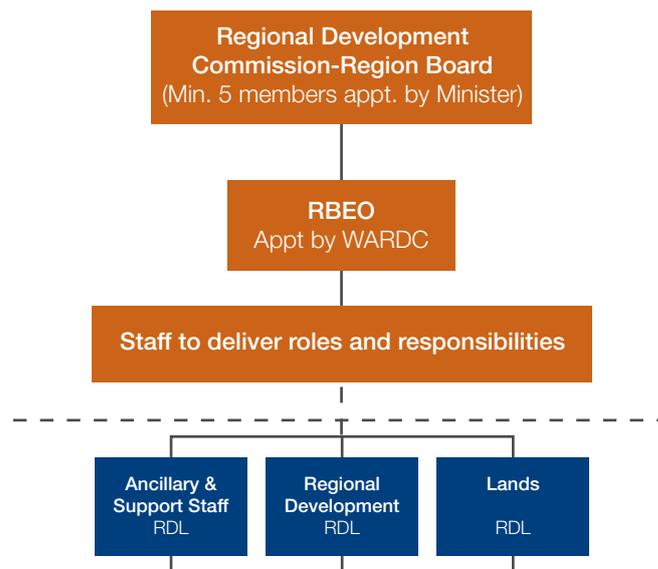
10. Establish a Ministerially endorsed and mandated working party to strengthen the integration and alignment of statutory land use planning, regional development, and local government service delivery within existing legislative planning frameworks for the Pilbara region. (This accords with Economic Audit Committee recommendations 6 and 10.)

# Attachment 2

## The WARDC



## RDC-Regions





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