



Australian Government

Department of Industry,
Innovation and Science

Department of Infrastructure
and Regional Development

Business

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Program Guidelines

Building Better Regions Fund Infrastructure Projects Stream

November 2016

A message from the Minister

As Minister for Regional Development I aim to help build the strong and sustainable regional communities our children and grandchildren either want to either stay in or come back to.



Strong regions make a strong nation. Regional Australia is the heart of our nation and helps drive our economy. This is why we are supporting a new competitive grants program – the Building Better Regions Fund.

This Fund will see regional communities partner with governments and stakeholders to take full advantage of a range of economic and regional development opportunities that can make a real difference.

Importantly, the funding will be directed to projects outside of major capital cities.

Projects of similar size will compete against each other, so small community projects will not compete against major infrastructure proposals, for example.

The Infrastructure Projects Stream of the Fund will be open to investment-ready projects that will create jobs, drive economic growth and build regional communities for the long term.

I encourage you to put forward projects that will strengthen your communities through new infrastructure, or upgrades or extensions to existing infrastructure.

I look forward to considering your funding proposals to help build those strong and sustainable regional communities for our children and grandchildren.

Senator the Hon Fiona Nash

Minister for Regional Development

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1. Introduction

These guidelines set out the funding rules for the Building Better Regions Fund (the program) – **Infrastructure Projects Stream**. There is a separate set of guidelines for the **Community Investments Stream**.

The Department of Industry, Innovation and Science is responsible for administering the program on behalf of the Department of Infrastructure and Regional Development.

The program is competitive and we will assess applications against eligibility and merit criteria and compare them to other applications in a funding round. Decisions on projects to be funded are taken by a Ministerial Panel in consultation with the Australian Government's National Infrastructure Committee of Cabinet.

We will publish the opening and closing dates of any funding rounds on business.gov.au.

We have defined key terms used in these guidelines in Appendix A.

You should read this document carefully before you fill out an application. Further information is available on business.gov.au to help you determine if your project is investment-ready and prepare your application.

Investment-ready projects are those that have confirmed all co-funding, identified all required regulatory and/or development approvals and can demonstrate robust planning, in order to commence following execution of a grant agreement.

If your project is still in the planning or concept stage your application may be eligible for funding, but may not be as competitive as projects that are further progressed in their planning. In this case it is recommended that you further develop your project and consider submitting an application for consideration in future funding rounds.

2. Program overview

The \$297.7 million Building Better Regions Fund supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future.

The program will run over four years from 2016-17 to 2019-20.

The program has been designed to achieve the following outcomes in regional and remote communities

- create jobs
- have a positive impact on economic activity, including Indigenous economic participation through employment and supplier-use outcomes
- enhance community facilities
- enhance leadership capacity
- encourage community cohesion and sense of identity.

The program will fund projects in regional Australia outside the major capital cities of Sydney, Melbourne, Brisbane, Perth, Adelaide, and Canberra (see section 5.1).

There are two streams of funding available under the program.

2.1 Infrastructure Projects Stream

The **Infrastructure Projects Stream** will support projects which involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure that provide economic and social benefits to regional and remote areas.

2.2 Community Investments Stream

The **Community Investments Stream** will fund community building activities including, but not limited to, new or expanded local events, strategic regional plans, and leadership and capability building activities. These projects will deliver economic and social benefits to regional and remote communities.

Note: *These guidelines provide information on the Infrastructure Projects Stream only. To find information regarding the Community Investments Stream visit business.gov.au.*

3. Grant amount and project duration

The minimum grant amount is \$20,000 and the maximum grant amount is \$10 million.

You must complete your project by 31 December 2019.

4. Project location

The location of your project has bearing on different elements of the program. We consider the location of your project when determining

- eligibility (see section 5.1)
- the level of co-funding you need to provide (see section 5.6.3)
- a loading we will apply to your assessment score (see section 7.2)

In your application, you will need to provide the latitude and longitude of your project location. A mapping tool is available on business.gov.au to assist you in determining the location of your project.

5. Eligibility criteria

We cannot consider your application if you do not satisfy **all eligibility criteria**. We will not fund projects that you have already started or where contracts are already in place at the time of application.

5.1 Where can your project be located?

Your project must be located in Australia and outside an excluded area. The excluded areas for the purposes of the program are the Significant Urban Areas¹ of the cities of Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra as defined by the Australian Bureau of Statistics' Australian Statistical Geography Standard. For the city of Canberra, the excluded area is only the

¹

[http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/1F858F367BE00CA0CA257A980013D437/\\$File/1270055004_sua_maps.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/1F858F367BE00CA0CA257A980013D437/$File/1270055004_sua_maps.pdf)

part of the Canberra-Queanbeyan Significant Urban Area that is located within the Australian Capital Territory.

A mapping tool is available on business.gov.au to assist you in determining the location of your project.

5.2 Who is eligible?

To be eligible you must be a legal entity, have an Australian Business Number (ABN) and be one of the following entities:

- a local governing body as defined by the *Local Government (Financial Assistance) Act 1995*.
- a not for profit organisation that has been established for at least two years. As a not for profit organisation you must demonstrate your not for profit status through one of the following:
 - Current Australian Charities and Not-for-profits Commission's (ACNC) Registration
 - State or Territory Incorporated Association status
 - Constitutional documents and/or Articles of Association that demonstrate the not-for-profit character of the organisation.

For the purposes of the program, we also consider the following organisations to be local governing bodies:

- Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna and Yalata local governing bodies in SA
- Cocos (Keeling) Islands Shire Council
- The Lord Howe Island Board
- Norfolk Island Regional Council
- The Outback Communities Authority
- The Shire of Christmas Island
- The Silverton and Tibooburra villages in NSW and
- The Trust Account in the NT
- ACT Government.

Applicants can submit up to two applications per round.

5.3 Joint applications

Joint applications are acceptable, provided you have a lead applicant who meets each of the following requirements:

- is the main driver of the project
- is eligible as per the list in section 5.2
- is making a cash contribution to the project.

It is the responsibility of the lead applicant to make sure the appropriate arrangements are in place to manage the project partners.

If you are submitting a joint application, you are the lead applicant. Only the lead applicant will enter into, and be responsible for the grant agreement with the Commonwealth. The lead applicant must complete the application form and identify all other project partners in their application. For requirements on submitting a joint application refer to section 8.2.

5.4 Who is not eligible?

You are not eligible to apply if you are:

- a for profit organisation
- an individual, partnership or trust (however, an incorporated trustee may apply on behalf of a trust)
- a Commonwealth, state or territory government agency or body (including government business enterprises)
- a university, technical college, school or hospital
- a Regional Development Australia Committee.

5.5 Additional eligibility requirements

In order to be eligible you must also

- be able to demonstrate that you can meet the applicable co-funding requirements as outlined in section 5.6
- provide the relevant mandatory attachments outlined in section 8.1.
- declare you can comply with special regulatory requirements as outlined in section 9.2.

5.6 Co-funding and your contributions

Co-funding is the cash contribution (excluding in-kind contributions) from you or sources other than the Commonwealth. Co-funding demonstrates your commitment to the project and shows evidence of community support. We consider the co-funding contributions when assessing applications at the eligibility and merit assessment stage.

Any organisation can provide the co-funding including

- you as the applicant
- local government
- state or territory governments
- not for profit organisations
- private sector companies
- Aboriginal Benefits Account (not considered Commonwealth funding)

The remoteness classification of your project location determines your co-funding requirements (see section 5.6.3).

If you are the lead applicant in a joint application, you must make a cash contribution to the project unless you are seeking an exceptional circumstances co-funding exemption (see section 5.6.3).

Where you receive other Commonwealth funding for your project the total Commonwealth funding cannot exceed the percentage indicated in section 5.6.3.

5.6.1 Project remoteness classification

Your project location (latitude and longitude) determines your remoteness classification. The criteria for the remoteness classification is based on the Australian Bureau of Statistics' Remoteness Structure² under the Australian Statistical Geography Standard. A mapping tool is available on business.gov.au to assist you in determining the location of your project.

Your co-funding requirement will be different depending on your remoteness classification. It is very important that you specify the correct remoteness classification in your application. An error may cause your co-funding to be inadequate and your application to be ineligible.

Your project may include multiple site locations. Where there is mix of regional and remote site locations we will consider your entire project location as remote for the purposes of the co-funding requirement.

5.6.2 Exceptional circumstances co-funding exemption

The Australian Government recognises that some applicants may be experiencing exceptional circumstances resulting in a limited capacity to meet the co-funding requirement.

Where you can demonstrate that you are experiencing exceptional circumstances, you may seek an exemption from the co-funding requirement.

If you seek an exemption you must submit a supporting case which includes evidence demonstrating the exceptional circumstances you are experiencing and how they are preventing you from meeting the co-funding requirement. This must also include evidence to demonstrate the capacity to maintain and fully utilise the project.

The Ministerial Panel will consider requests for exemption. If an exemption is granted your application will be considered to have met the requirements under section 5.6. If an exemption is not granted your application will be ineligible.

Before you consider seeking an exemption, note:

- Exemptions will only be granted in very limited circumstances
- If an exemption is not granted your application will be ineligible and there will be no opportunity to resubmit your application in the same funding round
- All applications, including those granted an exemption, will be assessed against each of the merit criteria. Applications without co-funding may receive a lower score against the 'value for money' criterion (merit criterion 3)
- You are encouraged to leverage cash contributions, community partnerships and in-kind contributions, even if you seek an exemption, to strengthen your application and increase your score against the 'value for money' criterion.

Exceptional circumstances may include:

- Drought and/or disaster declaration
- Limited financial capacity of the local council
- Impact of industry decline
- Significant recent change in population or community demographics
- Other exceptional circumstances.

² <http://www.abs.gov.au/websitedbs/d3310114.nsf/home/remoteness+structure>

5.6.3 Co-funding requirements

The co-funding requirements are summarised in the following table.

Project circumstance	Co-funding requirement (cash)	Total Commonwealth Government funding (including this grant)
Projects classified as remote or very remote	3:1 ratio (for every \$3 of grant funding requested you must contribute at least \$1)	Up to 75 per cent of eligible project cost
All other classifications	1:1 ratio (for every \$1 of grant funding requested you must contribute at least \$1)	Up to 50 per cent of eligible project cost
Projects granted an exceptional circumstances co-funding exemption (See section 5.6.2).	Exempt from co-funding (although any level of contribution is encouraged)	Up to 100 per cent of eligible project cost

Table 1.

Where your project costs are less than anticipated we will maintain the co-funding/grant ratio in our payment of funds.

5.7 Eligible projects

Your project must be a capital project involving the construction of new infrastructure, or the upgrade or an extension of existing infrastructure. The replacement of existing infrastructure will only be eligible where you can demonstrate significant increase in benefit.

To be eligible your project must also be ready to **commence within 12 weeks** of executing the grant agreement. We consider commencement to be the procurement of contractors or actual construction work commenced.

If your project is still in the planning or concept stage your application may be eligible for funding, but may not be as competitive as projects that are further progressed in their planning. In this case it is recommended that you further develop your project and consider submitting an application for consideration in future funding rounds.

We will not fund projects that you have already started or where contracts are already in place at the time of application.

As part of your Final report, you will be required to provide an evaluation of the project including the outcomes achieved.

5.8 Eligible activities

You can only spend the grant and co-funding on eligible activities directly related to the project. If your application is successful, these activities will be defined in your grant agreement.

Eligible activities may include

- purchase of materials
- external labour hire
- plant and equipment hire

- external consulting costs directly related to the delivery of the construction.

The Program Delegate makes the final decision on what are eligible activities. We cannot fund activities carried out prior to executing a grant agreement. All project activity must occur during the project period for it to be eligible.

5.9 Ineligible activities

You can only spend the grant and co-funding on eligible activities directly related to the project and this cannot include

- purchase of land or existing infrastructure
- repair or replacement of existing infrastructure where there is no demonstrated significant increase in benefit
- purchase and installation of manufacturing equipment and furniture
- ongoing operating costs including utilities and staffing
- soft infrastructure, including computer software or hardware that is not an integral part of the funded capital project
- payment of salaries for the applicant's employees
- project overhead items including office equipment, vehicles or mobile capital equipment. Examples include trucks and earthmoving equipment and the applicant's internal plant operating costs
- business case development and feasibility studies.

6. The merit criteria you need to address

To be competitive, you will need to address each of the four merit criteria in your application:

1. Economic benefit
2. Social benefit
3. Value for money
4. Project delivery

We will assess your application against each merit criterion using the scoring indicated. The application form asks questions that relate to the merit criteria below. You should define, quantify and provide evidence to support your answers.

The amount of detail and supporting evidence you provide should be relative to the project size, complexity and grant amount requested. The application form displays word limits.

We will only recommend funding applications that score highly against each of the merit criteria. This ensures Commonwealth funding represents value with relevant money.

6.1 Merit criterion 1 – Economic benefit

The economic benefit your project will deliver to the region during and beyond the construction phase (15 points)

Economic benefits for a region may cover increases in economic activity, improvements in productivity, wider access to markets or fairer and more equitable economic outcomes. Examples of how your project could demonstrate these economic benefits include

- a. increasing the number or value of jobs, new businesses or the production of goods and services in the region (this includes direct and indirect opportunities created through the project)
- b. providing opportunities for growth in existing sectors, e.g. tourism, agriculture, manufacturing
- c. the use of local suppliers and goods
- d. increasing efficiency of the transport system or service delivery
- e. increasing Indigenous economic participation – including Indigenous employment and supplier-use outcomes
- f. the degree to which the project delivers benefits beyond the construction phase.

6.2 Merit criterion 2 – Social benefit

The social benefit your project will deliver to the region during and beyond the construction phase (10 points)

Social benefits for a region may cover increases in regional amenity, improving community connections and inclusion and providing opportunities for learning and knowledge creation. Examples of how your project could demonstrate these social benefits include

- a. making a region a more attractive place to live
- b. improving community connections and social inclusion
- c. supporting or protecting local heritage and culture
- d. strengthening community institutions, governance and leadership capacity
- e. increasing community volunteering
- f. the degree to which the project delivers benefits beyond the construction phase
- g. addresses disadvantage within the community.

6.3 Merit criterion 3 – Value for money

The value for money offered by your project (5 points).

You may demonstrate the value for money through identifying:

- a. the extent to which the project leverages additional funding (this includes cash contributions above the co-funding requirement and in-kind contributions)
- b. the extent to which the project leverages additional partnerships
- c. the likelihood of the project going ahead without the grant funding. Explain how the grant will impact the project in terms of size, timing and reach.

6.4 Merit criterion 4 – Project delivery

Your capacity, capability and resources to carry out the project (5 points).

You may demonstrate this through identifying:

- a. your readiness to commence the project with appropriate approvals planned for or in place
- b. your track record with similar projects including managing similar grant funding
- c. your access to people with the right skills and experience
- d. your access to infrastructure, capital equipment, technology, intellectual property
- e. how you will operate and maintain the infrastructure and benefits of the project (see section 9.4).
- f. a detailed Project Management Plan which addresses project:
 - scope
 - implementation methodology and how you will manage project dependencies
 - timeframes
 - budget/costing
 - risk.

7. How we assess your application (selection process)

We first assess your application against the eligibility criteria and then against the merit criteria. Only eligible applications will proceed to the merit assessment stage.

The Ministerial Panel will make decisions on requests for exceptional circumstances co-funding exemptions. If your request for an exemption is not granted, your application will be ineligible.

To recommend it for funding your application must score highly against each merit criterion. While we assess all applications against the same merit criteria, we will score your application relative to the project size, complexity and grant amount requested. Larger and more complex projects should include evidence that is more detailed. We consider project size and remoteness classification in our assessment as detailed below.

We may seek advice from state or territory government agencies, other Australian Government agencies, independent experts and other external parties.

We then provide advice to the Ministerial Panel on eligible applications and recommendations on which projects to fund.

7.1 Project size

We will group all eligible applications in categories according to the total project cost (not the amount of funding requested) to ensure projects of similar size are ranked against each other.

We will consider applications according to the following categories:

- total project cost under \$1 million
- total project cost \$1 million to \$5 million
- total project cost over \$5 million.

7.2 Assessment score loading

We will apply a loading to your total assessment score in line with your remoteness classification. Very remote projects will receive the highest loading and inner regional projects the lowest loading. The loading accounts for the challenges which may be faced in outer regional and remote areas.

7.3 Final decision

The Ministerial Panel decides which grants to approve taking into account our recommendations and the availability of grant funds. In addition to the application, supporting material and our recommendations, the Ministerial Panel may consider other factors when deciding which projects to fund, including, but not limited to

- the spread of projects and funding across regions
- the regional impact of each project, including Indigenous employment and supplier-use outcomes
- other similar existing or planned projects in the region to ensure that there is genuine demand and/or no duplication of facilities or services
- other projects or planned projects in the region, and the extent to which the proposed project supports or builds on those projects and the services that they offer
- the level of funding allocated to an applicant in previous programs
- reputational risk to the Australian Government
- the Australian Government's priorities.

The Ministerial Panel will consider our recommendations and supporting information, and following consultation with the National Infrastructure Committee of Cabinet make decisions on which projects to fund.

The Ministerial Panel may require additional conditions be attached to the grant funding. It may also offer a different amount of grant funding to what you requested.

If you are successful, you will receive a written offer.

If you are unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome with us and receive feedback on your application. You can submit a new application for the same project (or a similar project) in any future funding rounds. You should include new or more information to address the weaknesses identified in your previous application.

The Ministerial Panel's decision is final in all matters, including the:

- approval of applications for funding
- grant funding amount to be awarded and
- terms and conditions of funding.

There is no review process.

8. How to apply

Before you apply, you should read and understand these guidelines, the online application form and the sample grant agreements that will apply to your project. View the sample grant agreements at business.gov.au.

You can only submit an application during a funding round. We will publish the opening and closing date for each round on business.gov.au.

To apply, you must:

- complete the online application form on business.gov.au
- provide all the information that we need to assess your application
- address all eligibility and merit criteria, ensuring you have considered each requirement
- include all mandatory attachments (see section 8.1)

When you submit your online application, we will provide you with an automated receipt number and a link. The link goes to a page where you can enter your email address to receive acknowledgment and a copy of your complete application.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code 1995* (Cth). We will investigate false or misleading information and may not consider your application for the grant. If you find an error in your application after submitting it, you should phone us immediately on 13 28 46.

We cannot accept additional information or requests from you to change your submission after the closing date of a funding round.

If you need further guidance around the application process or if you are unable to submit an application online, or wish to withdraw an application you have already submitted contact us at business.gov.au or call the contact centre on 13 28 46.

You are encouraged to seek the support of your Regional Development Australia (RDA) Committee for your project. Your RDA Committee can:

- assist you to identify and develop a strong project proposal that will contribute to long term economic growth and is a priority within your region, and
- work with you to prepare a competitive application, supporting documents and evidence.

8.1 Attachments to the application

We require the following documents with your application. The amount of detail you provide should be relative to the project size, complexity and grant amount requested.

Applicant type	Document	For grant requests \$20,000 to \$1 million	For grant requests over \$1 million
All applicants	Letters evidencing the cash or in-kind contribution from each contributing organisation or individual. They must be <ul style="list-style-type: none"> ▪ on the organisation's letterhead ▪ signed and dated by an authorised person ▪ set out the value and timing of contributions and any conditions attached. 	Mandatory	Mandatory
Applicants seeking exceptional circumstances co-funding exemption	Evidence to demonstrate your case for exemption	Mandatory	Mandatory
All applicants	Project Management Plan which addresses <ul style="list-style-type: none"> ▪ scope ▪ implementation methodology ▪ timeframes ▪ budget/costing ▪ approvals 	Mandatory	Mandatory
All applicants	Business Case	Mandatory	Mandatory
All applicants	Asset Maintenance/management plan which includes evidence of how you will maintain the asset in a viable and operational state for at least the period identified at section 9.4).	Mandatory	Mandatory
All applicants	Risk Management Plan	Optional	Mandatory
All applicants	Cost Benefit Analysis	Optional	Mandatory
All applicants	Procurement Plan	Optional	Mandatory

Applicant type	Document	For grant requests \$20,000 to \$1 million	For grant requests over \$1 million
Not for profit organisations	Evidence of your not for profit status <ul style="list-style-type: none"> ▪ Current Australian Charities and Not-for-profits Commission's (ACNC) Registration, or ▪ Incorporated association certificate, or ▪ Constitutional documents and/or Articles of Association that demonstrate the not for profit character of the organisation. 	Mandatory	Mandatory
Not for profit organisations	Audited Financial Statements for the two most recent consecutive years signed by a qualified auditor.	Mandatory	Mandatory
For incorporated trustees applying on behalf of a trust	Trust documents showing the relationship of the incorporated trustee to the trust.	Mandatory	Mandatory
Where you are making a joint application	Letter of support from each project partner organisation (see section 8.2)	Mandatory	Mandatory

Table 2 - Attachments to your application

You must attach supporting documentation to the application form in line with the instructions provided within the form.

8.2 Joint applications

We recognise that some organisations may want to join together as a group to deliver a project. If you are applying on behalf of a group, you must appoint a lead organisation. Only the lead organisation will enter into, and be responsible for the grant agreement with the Commonwealth. The lead organisation must complete the application form and identify all other members of the proposed group in their application. The application must also include a letter of support from each of the project partner organisations involved in the proposal. Each letter of support should include

- details of the project partner organisation
- an overview of how the organisation will work with the lead organisation and any other project partner organisations to successfully complete the grant activity/project
- an outline of the relevant experience and/or expertise the organisation will bring to the group
- the roles/responsibilities the organisation will undertake, and the resources it will contribute (if any)
- details of a nominated management level contact officer.

9. If your application is successful

9.1 Grant agreement

You must enter into a grant agreement with the Department of Industry, Innovation and Science, acting on behalf of the Commonwealth. The type of grant agreement will depend on the size and complexity of your project. Sample grant agreements are available on business.gov.au.

You will have 60 days from the date of a written offer to execute a grant agreement with the Commonwealth ('execute' means both you and the Commonwealth have signed the agreement). During this time we will work with you to finalise details. The offer may lapse if both parties do not execute the grant agreement within this time. Under certain circumstances, we may extend this period.

We will base the approval of your grant on the information you provided in your application. We will review any changes to details to ensure they do not impact the project as approved by the Ministerial Panel.

We will not make any grant payments until there is an executed grant agreement in place. We are not responsible for any of your project expenditure until a grant agreement is in place.

The funding approval may have specific conditions determined by the assessment process or other considerations made by the Ministerial Panel. We will identify these in the offer of funding.

If you commence project activities before we execute a grant agreement they will not be eligible for funding.

Once you have received a copy of the executed grant agreement, we expect you to commence the **project within 12 weeks**.

You will have up to 31 December 2019 to complete your project as defined in the grant agreement.

9.2 Special regulatory requirements

You are required to be compliant with all relevant laws and regulations. Wherever the government funds building and construction activities, the following special regulatory requirements apply.

- Building Code 2013³ (Building Code)
- Australian Government Building and Construction WHS Accreditation Scheme⁴ (WHS Scheme).

These regulations are subject to the level of funding you receive as outlined below.

To be eligible, you must declare in your application that you comply with these requirements. You will need to declare you can meet these requirements in your grant agreement with the Commonwealth.

³ <http://www.fwbc.gov.au/building-code>

⁴ <http://www.fsc.gov.au/sites/fsc/needaccredited/accreditationscheme/pages/theaccreditationscheme>

9.2.1 Building Code

The Building Code is administered by relevant state and territory administrations under relevant state or territory legislation on behalf of the Fair Work Building and Construction⁵.

The Building Code applies to all construction projects indirectly funded by the Australian government through grants and other programs where

- the value of Australian Government contribution to a project is at least \$5 million and represents at least 50 per cent of the total construction project value; or
- regardless of the proportion of Australian Government funding, where the Australian Government contribution to a project is \$10 million or more.

9.2.2 WHS Scheme

The WHS Scheme is administered by the Office of the Federal Safety Commissioner⁶.

The Scheme applies to projects that are indirectly funded by the Australian Government where

- the value of the Australian Government contribution to the project is at least \$6 million and represents at least 50 per cent of the total construction project value; or
- regardless of the proportion of Australian Government funding, where the Australian Government contribution to a project is \$10 million or more.
- the head contracts for building work are greater than \$4 million (GST inclusive)

9.3 How we pay the grant

The grant agreement will state the

- maximum grant amount we will pay
- the contributions you must make to the project.

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you are responsible for meeting these costs yourself.

We will pay grant funding electronically into a nominated Australian bank account. The specific requirements for the bank account are set out in the grant agreement. We will pay grant funding in arrears as you achieve agreed milestones.

We base the amount of each payment on

- your achievement of milestones and
- our acceptance of satisfactory progress reports.

We set aside an amount (usually ten per cent) of the total grant funding for the final payment. We will pay this when you submit a satisfactory final report. We may need to adjust your progress payments to ensure we retain a minimum ten per cent of grant funding for final payment.

⁵ <https://www.fwbc.gov.au/>

⁶ <http://www.fsc.gov.au/sites/FSC>

9.4 Maintaining project benefits

In your grant agreement, you will be required to commit to operate and maintain your project infrastructure and deliver project benefits into the future. In line with your grant agreement, the operational periods are relative to total project cost.

Project cost	Number of years
< \$250,000	1 year
\$250,000 to \$1 million	3 years
> \$1 million	5 years
Projects exempt from the co-funding requirement (see section 5.6.2)	5 years

Table 3 – Operational periods for maintaining project benefit

9.5 How we monitor your project

You must submit progress and financial reports in line with the grant agreement. We will provide sample templates for these reports as appendices in the grant agreement. You will also be able to download them from business.gov.au. We will remind you of your reporting obligations before a report is due. We will expect you to report on

- progress against agreed project milestones
- contributions of participants directly related to the project
- expenditure of grant funds.

The number of milestones and the amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

9.5.1 Progress report

Progress reports must:

- include the evidence showing you have completed the agreed project activities
- show the total expenditure incurred to achieve the milestone
- be submitted within four weeks of the milestone due date or completing a milestone (you can submit reports ahead of time if you have completed the milestone).

We will only make grant payments when we receive satisfactory progress reports.

You must discuss any project or milestone reporting delays with your Customer Service Manager as soon as you become aware of them.

When you complete the project, you must submit a final report.

9.5.2 Final report

Final reports must:

- include the agreed evidence as specified in the grant agreement

- identify the total eligible expenditure incurred for the project
- include an evaluation of the project, including the outcomes achieved
- be submitted within four weeks of completing the project
- be in the format provided in the grant agreement.

9.5.3 Ad hoc report

We may ask you for ad-hoc reports on your project. This may include reports to confirm progress, or to explain any significant delays or difficulties in completing the project.

9.5.4 Financial report

Where your total project cost is greater than \$1 million or we consider your project is higher risk you will need to provide an independently audited financial acquittal report. A financial acquittal report will verify that you spent the grant as identified in the grant agreement. The financial acquittal report is attached to the sample grant agreements. We will assess your report and may re-examine your claims or conduct site visits if necessary.

9.6 Compliance visits

We may visit you during the project period to review your compliance with the grant agreement. We may also inspect the records you are required to keep under the grant agreement. We will provide you with reasonable notice of any compliance visit.

9.7 Project variations

We recognise that unexpected events may affect project progress. In these circumstances, you can request a project variation, including:

- changing project milestones
- extending the timeframe for completing the project but not beyond 31 December 2019
- changing project activities.

The program does not allow for an increase to the agreed amount of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the grant agreement end date. A Customer Service Manager can provide you with a variation request template. We will not consider changes after the grant agreement end date.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as

- how it affects the project outcome
- consistency with the program policy objective
- changes to the timing of grant payments.

9.8 Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your

- name
- addresses
- nominated contact details
- bank account details.

If you become aware of a breach of terms and conditions under the grant agreement you must contact us immediately.

9.9 Events

We will also require you to notify us of events relating to your project and provide opportunity for the Minister or their representative to attend.

9.10 Evaluation

We may conduct an evaluation of the program to determine the extent to which the funded activity is contributing to the objectives and outcomes of the program. We may use information from your application and project reports. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes. We may contact you after you finish your project for more information to assist with this evaluation.

9.11 Tax obligations

Grants are subject to the Goods and Services Tax (GST). We will increase your grant payments to pay for GST if you are registered.

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the Australian Taxation Office. We do not provide advice on tax.

When we make your grant payments we will provide you with a recipient created tax invoice (RCTI).

10. Conflicts of interest

You should disclose in your application details of any real, apparent, or potential conflicts relating to your project or the program and how you propose to manage them.

For staff, technical experts and others who help to manage, assess and evaluate the program, a conflict of interest can exist if there is a conflict between:

- their program duties, roles and responsibilities; and

- their private interests (where these interests could inappropriately influence the way they manage the program).

Private interests include an individual's own personal, professional or business interests or the interests of individuals or groups they are closely associated with. This includes relatives, friends or other affiliations.

A conflict of interest can be:

- real (or actual)
- apparent (or perceived)
- potential

A real (or actual) conflict of interest exists when a person's private interests or their program duties, roles and responsibilities could improperly influence how they manage, assess and evaluate the program.

An apparent (or perceived) conflict of interest exists where it appears or is perceived by a third party that someone's private interests or their program duties, roles and responsibilities could improperly influence how they manage, assess and evaluate the program, even if a real or actual conflict has not, or cannot, be established.

A potential conflict of interest exists when someone has a private interest and an actual conflict of interest could arise if they make any decisions related to the program.

10.1 How we manage conflicts of interest

We manage conflicts of interest according to the *APS Code of Conduct (section 13 (7) of the Public Service Act 1999)*. We publish our conflict of interest policy on the Department of Industry, Innovation and Science⁷ website.

All officials must declare any conflicts of interest. A delegated authority receives all declarations and assesses them to determine whether a conflict of interest exists and whether it is significant. In the event that we find a conflict of interest, we will advise that individual what they must do to manage the conflict. For example, if a conflict of interest is a cause for concern, that official will not take part in assessing applications under the program.

11. How we use your information

11.1 How we treat your information

We will treat the information you give us as sensitive and therefore confidential if it meets one of the four conditions below:

1. You clearly identify the information as confidential and explain why we should treat it as confidential.
2. The information is commercially sensitive.
3. Revealing the information would cause unreasonable harm to you or someone else.

⁷

<http://www.industry.gov.au/AboutUs/InformationPublicationScheme/Ourpolicies/Pages/Library%20Card/ConflictofInterestInsideTradeExpectationsofInnovationEmployees.aspx>

4. You provide the information with an understanding that it will stay confidential.

We may share the information you give us with other Commonwealth agencies for any purposes including government administration, research or service delivery and according to Australian laws, including the:

- *Public Service Act 1999* (Cth)
- *Public Service Regulations 1999* (Cth)
- *Public Governance, Performance and Accountability Act 2013* (Cth)
- *Privacy Act 1988* (Cth)
- *Crimes Act 1914* (Cth)
- *Criminal Code Act 1995* (Cth).

11.1.1 When we may reveal confidential information

Staff, technical experts and others who help to manage, assess and evaluate the program may reveal confidential information:

- to the Ministerial Panel, their staff and other Commonwealth employees and contractors, to help us manage the program effectively
- to employees and contractors of our department, so we can research, assess, monitor and analyse our programs and activities
- to employees and contractors of other Commonwealth agencies for any purposes, including government administration, research or service delivery
- to other Commonwealth, state, territory or local government agencies in program reports and consultations
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Parliamentary Secretary
- to a House or Senate Committee of the Australian Parliament.

We may also reveal confidential information if:

- we are required or allowed by law to reveal it, or
- you agree to the information being revealed before we reveal it, or
- someone other than us has made the confidential information public.

11.2 How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the *Privacy Act 1988*. This includes letting you know:

- what personal information we collect
- why we collect your personal information
- who we give your personal information to.

We collect personal information from you, and may give that information to our employees and contractors, the Ministerial Panel, and other Commonwealth employees and contractors, so we can:

- manage the program

- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the Department of Infrastructure and Regional Development website⁸.

Please read our Privacy Policy⁹ on the Department of Industry, Innovation and Science website for more information on:

- what is personal information
- how we collect, use, store and reveal your personal information
- how you can access and correct your personal information.

11.3 Public announcement

We will publish non-sensitive details of successful projects on the Department of Infrastructure and Regional Development¹⁰ website and GrantConnect. We do this as per the reporting requirements of the *Commonwealth Grants and Rules Guidelines* and consistent with the Australian Government Public Data Policy Statement¹¹, unless otherwise prohibited by law. This information may include:

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- industry sector of your business.

We publish this information to ensure open access to non-sensitive data within Australian Government agencies to enable greater innovation and productivity across all sectors of the Australian economy.

We may also publish details about successful projects on business.gov.au.

11.4 Freedom of information

The *Freedom of Information Act 1982* (FOI Act) applies to all documents we create, receive or store about the program. If someone requests a document under the FOI Act, we will release it (though we may need to consult with you or other parties first) unless it meets one of the exemptions set out in the FOI Act.

⁸ www.infrastructure.gov.au

⁹ <http://www.industry.gov.au/Pages/PrivacyPolicy.aspx>

¹⁰ <https://infrastructure.gov.au/department/grants/index.aspx>

¹¹ <http://www.dpmc.gov.au/resource-centre/data/australian-government-public-data-policy-statement>

12. Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by web chat or through our online enquiry form on business.gov.au.

We may publish de-identified questions you ask us with our answer on our website as Frequently Asked Questions.

Our Customer Service Charter is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

If you are not satisfied with the way we handle your complaint, you can contact:

Head of Division
AusIndustry – Business Services
GPO Box 9839
CANBERRA ACT 2601

You can also contact the Commonwealth Ombudsman¹² with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

¹² <http://www.ombudsman.gov.au/>

Appendix A. Definitions of key terms

Term	Definition
Application form	The document issued by a <i>Program Delegate</i> that applicants use to apply for funding under the <i>program</i> .
Conflict of Interest	The exercise of a power or making of a decision by a person in a way that may be, or may be perceived to be, influenced by either a material personal interest (whether financial or non-financial) or a material personal association.
Customer Service Manager	Commonwealth government employees who manage the <i>grant agreements</i> .
Department	The Department of Industry, Innovation and Science.
Eligible application	An application or proposal for <i>grant funding</i> under the <i>program</i> that a <i>Program Delegate</i> has determined meets the eligibility requirements in accordance with these <i>guidelines</i> .
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support. This is decided by the Program Delegate in accordance with these guidelines and the grant agreement.
Grant agreement	A legally binding contract between the Commonwealth and a <i>grantee</i> for grant funding.
Grant funding or grant funds	The funding made available by the Commonwealth to successful applicants under the <i>program</i> .
Grantee	An entity that has been offered <i>grant funding</i> and has entered into a <i>grant agreement</i> with the Commonwealth in relation to the <i>program</i> .
Infrastructure	Physical structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a community.
Minister	The Minister for Regional Development.
Ministerial Panel	The panel of Ministers that make decisions on <i>projects</i> to be funded.
Not for profit (NFP)	An organisation that does not operate for the purpose of profit, personal gain or other benefit of particular people, when it is in operation or when it is wound up. Whilst a NFP is allowed to generate profits, the profits must be used to carry out its purpose (e.g. charitable purpose) and cannot be distributed to owners, members or private people.
Personal information	Has the same meaning as in the <i>Privacy Act 1988</i> (Cth).
Program	The Building Better Regions Fund.

Term	Definition
Program Delegate	An employee of the <i>department</i> or the Department of Infrastructure and Regional Development who has been authorised by the <i>Minister</i> , or is otherwise duly authorised, to carry out the relevant functions in respect of the <i>program</i> (and all initiatives under the <i>program</i>).
Program funding or Program funds	The funding made available by the Commonwealth for the <i>program</i> in any given financial year. This is the funding specified in the Portfolio Budget Statement (as varied by any Portfolio Additional Estimates Statement or by the <i>Minister</i>) for that year.
Program Guidelines	Means these guidelines that are given by the <i>Minister</i> to the <i>department</i> to provide the framework for the administration of the <i>program</i> , as in force from time to time.
Project	A project described in an application for <i>Building Better Regions Fund grant funding</i> .
Project location	Where the <i>project</i> is undertaken, as determined by its latitude and longitude.
Project period	The time between the <i>project</i> start date and <i>project</i> end date as detailed in the <i>grant agreement</i> .
Value with Relevant Money	The processes, actions and behaviours employed by the Australian Government and grant recipients which result in public resources being used in an efficient, effective, economical and ethical manner.