

Australian Government

Department of Industry, Science and Resources

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Program Guidelines

Regional Precincts and Partnerships Program – Stream One: Precinct development and planning

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Administering entity:	Department of Industry, Science and Resources (DISR) and DITRDCA
Enquiries:	If you have any questions, contact us on 13 28 46.
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1. Regional Precincts and Partnerships Program – Stream 1: Precinct development and planning

The regional Precincts and Partnerships Program is designed to achieve Australian Government objectives

This funding opportunity contributes to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA)'s Outcome 3 - Strengthening the sustainability, capacity and diversity of Australia's cities and regions including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance.



The Program opens

The Minister for Infrastructure, Transport, Regional Development and Local Government (the decision-maker) opens the program with program details published on the DITRDCA website.

DISR publish the Program guidelines on business.gov.au.



You complete and submit an application

You complete the application form and provide a proposal that addresses all the eligibility and assessment criteria in order for your application to be considered. Contact DISR with any enquiries about the application process.



We assess all funding applications against eligibility

DISR assesses the applications against the eligibility criteria and notifies you if you are not eligible. Eligible applications are batched in accordance with section 7.2 of these Guidelines.



The Independent Expert Panel assesses eligible applications

Applications are batched (as outlined in Section 7.2) and reviewed by an Independent Expert Panel (the Panel). The Panel assesses eligible applications against the assessment criteria outlined in these guidelines, including an overall consideration of value for money. The Panel provides a list of meritorious applications to DITRDCA.



DITRDCA provides policy and program advice on applications

DITRDCA provides advice to the decision-maker on alignment between the meritorious proposals, policy and program objectives and provides recommendations for funding, alongside advice from the Panel.



Funding decisions are made

The decision-maker decides which applications are successful.



We notify you of the outcome

DISR advises you of the outcome of your application. We may not notify unsuccessful applicants until funding agreements have been executed with successful applicants.



Successful applicants enter into a funding agreement

As a successful applicant, you will enter into a funding agreement. The funding agreement will be proportional to the risks involved.



Delivery of funding

You complete the activity as set out in your funding agreement.



Evaluation of the regional Precincts and Partnerships Program

DITRDCA will evaluate the specific activity and regional Precincts and Partnerships Program as a whole. We base this on information you provide to us and that we collect from various sources.

1.1. Introduction

These guidelines contain information for the regional Precincts and Partnerships Program (the Program) – Stream One: Precinct development and planning.

You should review Stream Two - Precinct delivery guidelines if your project relates to precinct delivery.

This document sets out:

- the purpose of the program and funding opportunity
- the eligibility and assessment criteria
- how funding applications are considered and assessed
- how applicants are notified of the outcome
- the steps for successful applicants to enter funding agreements with the relevant state or territory government agency
- how successful performance is monitored and evaluated
- the responsibilities and expectations in relation to the funding opportunity.

The application process for this funding opportunity will be administered by the Department of Industry, Science and Resources (DISR) on behalf of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA).

We intend that the funding agreement and delivery will be administered by the relevant state or territory government agency (or for state and territory successful applicants, managed between the Commonwealth and jurisdiction via a schedule).

Key terms used in these Guidelines are defined in the glossary at section 14.

You should read this document carefully before you fill out an application.

Stream Two of the Program addresses opportunities to support precinct delivery. Guidelines are available at: https://www.infrastructure.gov.au/department/media/publications/stream-one-precinct-development-and-planning

2. About the Program

The program will run over 4 years from 2023-24 to 2026-27. The program was announced as part of the 2022-23 October Budget and reflects the Government's Regional Investment Framework, which:

- values local voices and priorities
- is informed by and builds on the evidence-base
- operates with flexibility and transparency and
- guides coordinated responses across government.

The program:

- Seeks to deliver transformative investment in regional, rural and remote Australia based on the principles of unifying regional places, growing their economies and serving their communities.
- Requires a partnership approach, bringing together governments, businesses and communities to deliver multi-purpose regional precincts that are place-based, tailored to local needs and have a shared vision in how that precinct connects to the region. Applications should include multiple identified partners with a demonstrated interest/investment in the project.

- Presents a new opportunity for regional investment through a unique funding opportunity, which features a strong focus on collaboration and joint investment opportunities. The establishment of partnerships, that include local perspectives, will be critical to delivering placebased infrastructure supported by the community.
- Allows governments and communities to establish long-term partnerships and jointly invest in genuine regional priorities. The Government is committed to regional development, renewal and supporting population growth by delivering the infrastructure and housing required to create strong and vibrant communities.
- Will support the planning and delivery of regional, rural and remote precincts. Regional precincts or places that encompass multiple infrastructure elements delivered by various parties through long-term partnerships between multiple providers. Regional precincts may include business districts, neighbourhoods, activity centres, commercial hubs or community and recreational areas. They will be located in renewal areas and growth areas in regional centres, regional corridors, regional cities, as well as smaller town centres that serve as service hubs in more remote communities. The scale of regional precinct projects will vary depending on their location and objectives. The precinct cannot just be a single piece of infrastructure, and should include detail on how it integrates into a broader space.

Precincts support better integration of land use and ensure the infrastructure investment complements the broader region and its surrounding communities, spaces, transport and activities. The program's place-based, partnership approach will ensure that precinct proposals are suitably and strategically designed for their specific contexts and maximise outcomes for their communities.

The objectives of the Program are to:

- facilitate place-based approaches to precinct planning and delivery, supported by collaborative partnerships engaged in shared design, stewardship and accountability of planned outcomes
- provide targeted benefits related to productivity, equity, and resilience for the people of regional, rural or remote Australia
- support community priorities for regional cities, rural or remote centres and areas to deliver value for money, multi-purpose regional precincts for the community
- reflect the Government's approach to regional investment as outlined under the Regional Investment Framework.

The intended outcomes of the Program are to:

- design and deliver multi-purpose regional precincts comprised of multiple infrastructure components, which provide benefits related to productivity, equity, sustainability, liveability and resilience
- demonstrate the value of partnerships between governments, communities and businesses for effective planning, coordination and delivery of regional infrastructure through multi-purpose precincts
- contribute to the achievement of Australian Government policy priorities, including but not limited to: Commonwealth regional policy and transport priorities, the National Agreement on Closing the Gap and improving outcomes for First Nations' communities, addressing housing supply and affordability via support of the objectives of the National Housing Accord, decarbonisation, adaptation to the changing climate, broadening and diversifying of Australia's industry and economy, the National Cultural Policy, and environmental policy.

It is the intent of the Program to:

 deliver project funding across a broad geographic spread of regional Australia, including remote and very remote areas

- support precinct projects of differing scales and functionalities (purposes) depending on their location and objectives
- support and encourage projects from lesser-resourced applicants and low rate-based councils.

The regional Precincts and Partnerships Program will be an open funding opportunity, meaning applications can be submitted at any time once the program opens. The program is a non-competitive program to avoid the direct, competitive comparison of applications from organisations of differing sizes and levels of resourcing. This approach provides the ability to ensure the equitable distribution of funding across the country based on the individual merits of a precinct proposal and its benefits to the local community. This allows the opportunity to balance small and large projects and different types of precincts within the funding profile.

There are two funding opportunities as part of this Program:

- Stream One: Precinct development and planning to activate partnerships and deliver an investment-ready precinct plan
- Stream Two: Precinct delivery to deliver a specified project or projects as part of a precinct.

We will publish Program updates and any other relevant information on business gov.au.

2.1. Aligning your application with the Program intent and objectives

To be considered, projects must demonstrate alignment with the Program's objectives. Examples of projects that may deliver on the objectives and intended outcomes of the program include:

- multi-user precincts focused on productive land-use, capturing economic opportunities by revitalising underutilised spaces and infrastructure
- multi-purpose community precincts that foster social cohesion and economic resilience through strengthening local partnerships
- place-based and accessible precincts that improve liveability and resilience and position regional industries for sustainable growth.

The program is not intended to fund infrastructure projects that are primarily:

- standalone revitalisation and recreational projects, including bike or walking paths, play spaces, and green spaces
- new or upgraded infrastructure for single-purpose healthcare, childcare, aged care, disability, housing or community services.

The types of projects that are not in line with the Program intent would include:

- standalone or single-purpose facilities, (even if these include multiple pieces of infrastructure such as sports fields or facilities, change rooms, youth centres or animal shelters etc)
- proposals with only a single applicant that does not demonstrate distinct and genuine partners.

2.2. About the Stream One: Precinct Development and Planning funding opportunity

This funding opportunity is for Stream One part of the regional Precincts and Partnerships Program.

The Precinct Development and Planning funding opportunity provides funding to develop a precinct idea through to investment-ready stage. The rationale for Stream One is to recognise that financial constraints can inhibit great concepts being explored further and developed into realistic, well-designed and planned projects.

For the purposes of Stream One, the project is considered to be a plan for the entire precinct, even if you are only considering future investment in one element of the precinct. This contrasts with Stream Two, where the project is one or more elements of a precinct.

The objective of Stream One is to activate partnerships to jointly deliver plans, designs or business cases for multi-purpose precincts comprised of multiple infrastructure components.

The intended outcomes of Stream One are to:

- establish partnerships comprised of relevant government entities, community organisations and businesses that have a shared vision for a regional precinct
- deliver precinct plans that are tailored to their local contexts and based on community feedback and engagement
- support precinct plans to become investment ready.

2.3. Partnerships

The establishment of a partnership is mandatory to the Program, which has a focus on bringing together all relevant interested parties to collaboratively plan or deliver precinct proposals. These partnerships are intended to be conglomerates of relevant entities as well as other local stakeholders, that are providing material support to the project, including but not limited to:

- state and territory governments
- local government
- regional universities
- not-for-profit entities
- First Nations groups
- Regional Development Australia committees
- community organisations
- private enterprise
- Australian Government agencies that have relevant policy/program interests or responsibilities.

Not all entity types listed above are eligible to apply for Program funding (see section 4: Eligibility Criteria), however they can form part of the partnership.

First Nations groups should be involved in the design phase to help shape projects and influence a stronger outcome that incorporates First Nations experiences, culture and design.

3. Funding amount and agreement period

3.1. Funding opportunities available

The Australian Government has announced a total of \$400 million over 4 years for the Program's two streams. We estimate a total of \$80 million is available over 4 years from 2023-24 for Stream One, noting this may be reviewed and balanced between streams to meet demand or until funding is exhausted.

- The minimum funding amount is \$500,000.
- The maximum funding amount is \$5 million.

The funding amount will be up to 100 per cent of the eligible expenditure for the project to a maximum amount of \$5 million. While funding for up to 100 per cent of the eligible expenditure can be considered, funding is intended to support a broader commitment to the precinct concept, therefore, you are required to demonstrate your contribution and commitment to the proposed precinct. Your contributions can be cash or in-kind (such as land or resources), or a combination of both.

Any partner contributions, and other funding for your project, can come from other sources including state, territory and local government grants. Other Commonwealth funding cannot be used for the project. You are responsible for the remaining eligible and ineligible costs, however, other parts of the broader precinct can be Commonwealth funded.

You are responsible for the remaining eligible and ineligible project costs.

3.2. Project period

You must complete your project by 31 March 2027.

4. Eligibility criteria

We cannot consider your application if you do not satisfy all eligibility criteria.

4.1. Who is eligible to apply?

To be eligible you must:

 have an Australian Business Number (ABN) or Office of the Registrar of Indigenous Organisations (ORIC) registration

and be one of the following entities:

- an Australian state/territory government agency or body
- an Australian local government agency or body as defined in section 14
- a regional university which may be for-profit as defined in section 14
- an incorporated and not-for-profit organisation.

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.

Applicants who are successful in applying for funding under rPPP Stream One of the Program (Precinct development and planning) will need to make a separate application under the relevant guidelines on DITRDCA's website in order to be considered for Stream Two – Precinct delivery.

4.2. Additional eligibility requirements

We can only accept proposals where you:

- have authority or are close to seeking authority for use of the land or infrastructure required to undertake the proposed project at a nominated site (if you have authority, you are required to provide a letter to confirm this authority from the land or infrastructure owner)
- can identify the intended project partner/s that form your partnership supported with a proposed governance structure for your precinct

- can provide evidence that the relevant State or Territory government have been invited to participate in the partnership
- can provide evidence that the relevant local government agency or body have been invited to participate in the partnership
- can provide evidence that the following organisations have been contacted to seek their support for the concept of the precinct:
 - the relevant Regional Development Australia (RDA) committee
 - the relevant Traditional Owner/First Nations groups for the area.

We cannot waive the eligibility criteria under any circumstances.

4.3. Who is not eligible to apply?

You are not eligible to apply if you are:

- an organisation, or your project partner is an organisation, included on the <u>National Redress</u>
 <u>Scheme's website</u> on the list of 'Institutions that have not joined or signified their intent to join the Scheme'
- an employer of 100 or more employees that has <u>not complied</u> with the Workplace Gender Equality Act (2012)
- for-profit organisations (with the exception of regional universities). However, they can form part of the partnership
- any organisation not included in section 4.1.

5. What the funding can be used for

5.1. Eligible activities

To be eligible your project must:

- be aimed at meeting the objectives of the funding opportunity, as outlined in Section 2
- have at least \$500,000 in eligible expenditure.

Eligible activities must directly relate to the project and may include:

- scoping, planning, design and consultation activities for the proposed precinct
- development, formalisation and operation of partnership relationships and responsibilities
- business cases and feasibility studies.

The Minister may also approve other activities and studies which are linked to the objectives and outcomes of the Program, including geotechnical, surveying, flora and fauna, and heritage assessments and investigations.

5.2. Eligible locations

The proposed project must be in a regional, rural or remote location, delineated as entirely outside the Australian Bureau of Statistics' Greater Capital City Statistical Areas (GCCSA).

Use the mapping tool to determine eligibility of your project location.

5.3. Ineligible locations

The following are ineligible locations:

- Greater Capital City Statistical Areas Greater Sydney
- Greater Capital City Statistical Areas Greater Melbourne

- Greater Capital City Statistical Areas Greater Brisbane
- Greater Capital City Statistical Areas Greater Perth
- Greater Capital City Statistical Areas Greater Adelaide
- Greater Capital City Statistical Areas Greater Hobart
- Greater Capital City Statistical Areas Greater Darwin
- All of the Australian Capital Territory (ACT).

5.4. Eligible expenditure

You can only spend the funding on eligible expenditure you have incurred on an agreed project as defined in your funding agreement.

- For guidance on eligible expenditure, refer to Appendix A.
- For guidance on ineligible expenditure, refer to Appendix B.

We may update the guidance on eligible and ineligible expenditure from time to time. If your application is successful, the version in place when you submitted your application applies to your project.

If your application is successful, we will ask you to verify project costs that you provided in your application. You may need to provide evidence such as quotes for major costs and a detailed budget.

Not all expenditure on your project may be eligible for funding. The Program delegate (who is a manager within the department with responsibility for administering the Program) makes the final decision on what is eligible expenditure, and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be a direct cost of the project
- be incurred by you for required project activities.

You must incur the eligible expenditure between the funding agreement start and end date for it to be eligible unless stated otherwise.

We are not responsible for any expenditure you incur until a funding agreement is executed. The Commonwealth will not be liable, and should not be held as being liable, for any activities which are undertaken before the funding agreement is executed.

6. The assessment criteria

You must address all assessment criteria in your application. The Independent Expert Panel (the Panel) will assess your application based on the weighting given to each criterion (further detail on the Panel is at Section 8.2).

The application form asks questions that relate to the assessment criteria below. The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and funding amount requested. You should provide evidence to support your answers. The application form displays character limits for each response.

Demonstrating value for money is a key requirement and will be assessed by comparing the projected benefits and opportunities created by the project against the estimated cost (refer to Section 8.1). Your response to the below assessment criteria should clearly articulate the expected benefits and opportunities that the project will create.

Only applications which score at least 75 per cent against each assessment criterion will be deemed as meritorious and considered for award of funding. A variation to this percentage may be determined by the Minister from time to time depending on the demand for the program and the funding available to ensure applications selected represent value for money.

6.1. Assessment criterion 1

Project alignment with Program objectives and Australian Government priorities (35 points).

You should demonstrate this through identifying how your proposal:

- a. aligns with regional plans, community priorities and other regional investment strategies and activities
- b. supports a place-based approach to planning, including better integration of land use and regional development and/or renewal
- c. provides economic opportunities, and enhances productivity, equity and resilience
- d. considers and/or measures climate and energy impacts such as disaster risk, emissions reduction, biodiversity, decarbonisation, circular economies, and energy and water efficiency
- e. contributes to the achievement of Australian Government policy priorities and program objectives, including but not limited to Closing the Gap, transition to a net zero economy, Australia's emission reduction goals, social and affordable housing, and National Cultural Policy, relative to the type of project being considered.

6.2. Assessment criterion 2

Project Need (35 points).

You should demonstrate this through identifying:

- a. how your proposal will address an existing public infrastructure gap
- b. how the precinct will deliver improvements and public benefits and/or services in your region
- c. evidence as to why investment in the proposal is needed, including any barriers preventing investment to date
- d. rationale for the elements you are considering for inclusion in the precinct and how these link a place with a purpose.

6.3. Assessment criterion 3

Community engagement, collaboration, and partnership (20 points).

You should demonstrate this through identifying:

- a. how your precinct development and planning process intends to engage with the local community, draw upon local knowledge and information, and identify and leverage opportunities and address challenges within your region
- b. how you and your partnership will work together to achieve the project based on the values of shared design, stewardship and accountability of planned outcomes
- c. the proposed governance arrangements of the partnership and how they will support, enhance or achieve community engagement, and collaboration for the project
- d. how First Nations groups could be involved in the design and planning phase to help shape the proposal and influence a stronger outcome that incorporates First Nations experiences, culture and design.

6.4. Assessment criterion 4

Capacity, capability and resources to deliver a sound precinct proposal (10 points).

You should demonstrate this by providing evidence of:

- a. your ability to undertake or manage the development of project proposals, including your track record of managing similar projects and your access to personnel with the right skills and experience
- b. your proven ability to manage and monitor timeframes, consultation processes, budget and risk management
- c. a resource plan that includes how the project will be supported and the cost of that resourcing
- d. any contributions you or your partners will be providing that would help to strengthen the delivery of the project. Contributions can be non-monetary.

7. How to apply

Before applying you should read and understand these guidelines and the sample <u>application form</u> published on business.gov.au.

Applicants should read all eligibility and assessment criteria closely and attach detailed evidence that supports the assessment criteria.

You will need to set up an account to access our online portal.

To apply, you must:

- complete and submit the application through the online portal
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the <u>Criminal Code Act 1995</u>. If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

After submission, we will not contact you for clarification on any aspect of your application, including any suspected errors, missing information, or lack of evidence that supports your eligibility/merit.

You can view and print a copy of your submitted application on the portal for your own records.

If you need further guidance around the application process, or if you have any issues with the portal, <u>contact us</u> at business.gov.au or by calling 13 28 46.

7.1. Attachments to the application

You must provide the following documents with your application:

- a project plan or preliminary project outline
- a project budget
- confirmation that you have authority for use of the land or infrastructure at the proposed site, if
 one has been selected. If the proposed site is not confirmed, you should clearly outline this in
 your application
- evidence to support your intended partnership (e.g. a letter from project partner/s or other type of agreement), including details of all project partners

- a proposed governance structure for your precinct outlining the roles and responsibilities of each project partner
- evidence of support from local community and business as relevant
- evidence that the relevant State or Territory government and local government agency or body has been invited to participate (e.g. an email or letter)
- evidence that the relevant RDA committee and Traditional Owner/First Nations groups for the area have been contacted to seek their support (e.g. an email, or letter)
- evidence of not-for-profit status (where applicable)
- detailed evidence that supports assessment criteria responses (where applicable)
- trust deed (where applicable).

You must attach supporting documentation to the application form in line with the instructions provided within the form. You should only attach requested documents. The total of all attachments cannot exceed 20MB. We will not consider information in attachments that we do not request.

7.2. Timing of funding opportunity processes

You can apply at any time while the funding opportunity remains open. Eligible applications will be batched and announcements made at least twice per financial year, or until funding is exhausted.

If you are successful we expect you will be able to commence your project within three months of funding agreement execution.

Table 1: Expected timing for this funding opportunity

Activity	Timeframe
Assessment of applications	Batching of applications and their assessment will be at regular intervals, dependent on the rate at which applications are submitted.
Approval and announcement of successful applicants	Within approximately three months of the batch being collated
Notification to unsuccessful applicants	1-3 weeks from announcement of successful applicants
It is anticipated that negotiations and award of funding agreements by state or territory government agencies would follow	Subject to state and territory government processes
Earliest start date of project	The date you are notified that your proposal has been successful, noting the Australian Government is not liable for costs incurred prior to the execution of a funding agreement
Project completion date	31 March 2027
End date of funding commitment	30 June 2027

7.3. Questions during the application process

If you have any questions during the application period, <u>contact us</u> at business.gov.au or by calling 13 28 46.

8. The selection process

8.1. Assessment process

The Program's non-competitive process means applicants will be assessed on their individual merit against the assessment criteria, and will not be compared to other applications.

It is intended that applications will be batched at least twice a year, however the number of batches and the timing of each batch may vary depending on the volume and quality of applications received.

We first review your application against the eligibility criteria.

If eligible, your application will be assessed against the assessment criteria by the Panel. Only eligible applications will proceed to the assessment stage. Any ineligible applications will not proceed and are excluded from funding consideration.

The Panel will consider your application on its merits, based on:

- how well it meets the criteria
- whether it provides value with relevant money¹ and represents an efficient, effective, economical and ethical use of public resources.

When assessing the extent to which the application represents value with relevant money, the Panel will have regard to:

- the overall objective/s of the funding opportunity
- the evidence provided to demonstrate how your project contributes to meeting those objectives
- location, precinct types and government objectives
- the relative resources of the applicant and need for the project
- the relative value of the funding sought.

8.2. Who will assess applications?

An Independent Expert Panel (the Panel) will assess all eligible applications and make determinations regarding which applications are meritorious. The Panel will comprise members selected from the Urban Policy Forum, chosen for their expertise in regional development and urban design and renewal. This will enable them to make assessments based on a thorough understanding of regional needs, best practice planning and sustainable development. The Panel will assess applications against the assessment criteria, applying their expertise, before determining which are meritorious. Only applications that have been deemed as meritorious in the assessment process will be provided to the Minister for final decision making.

The Panel members will be subject to probity requirements as outlined in section 13.

DITRDCA will provide policy advice on meritorious proposals based on policy considerations and the funding envelope available.

DITRDCA's recommendations on meritorious proposals will be based on:

- the Panel's assessment
- alignment with the Government's approach to regional investment as outlined in the Regional Investment Framework

¹ See glossary for an explanation of 'value with relevant money'.

- alignment with current Australian Government policy priorities and program objectives, including but not limited to:
 - Commonwealth regional policy and transport priorities
 - National Agreement on <u>Closing the Gap</u>
 - Support of housing supply and affordability via the objectives of the <u>National</u> <u>Housing Accord</u>
 - o Transition to a net zero economy
 - o Australia's emission reduction goals
 - o National Cultural Policy
- budget allocation available to fund projects
- balance of projects between each Stream across budget allocation, geographic area,
 Government's policy priorities and types of precincts.

DITRDCA will also identify meritorious applications which propose projects that are:

- located in 'remote and very remote locations'
- submitted by First Nations Community Controlled Organisations
- located in 'low rate based' council areas.

This information will allow DITRDCA to provide the decision maker with information regarding the diverse range of applicants, particularly lesser-resourced applicants that have submitted proposals assessed as meritorious by the Panel.

8.3. Who will approve applications?

DITRDCA will recommend which meritorious proposals should be considered for funding. The Minister decides which funding proposals to approve, taking into account the recommendations of DITRDCA, the availability of funding, and where necessary, advice from relevant Minister/s for meritorious proposals relevant to their specific portfolio responsibilities.

The Minister's decision is final in all matters, including:

- the funding agreement approval
- the funding to be awarded
- any conditions attached to the offer of funding.

DITRDCA cannot review decisions about the merits of your application.

The Minister will not approve funding if there is insufficient program funding available across relevant financial years for the Program; but may include partial funding of the relevant project.

9. Notification of application outcomes

We will advise you of the outcome of your application in writing.

Due to the nature of the application process, if you are not found meritorious, you will be notified and can submit a new application for the same project while the funding opportunity remains open.

If your project application is found meritorious, but it is unsuccessful in receiving funding, you will also be notified and offered the opportunity to submit an updated application. This variation should include substantive new or additional information to enhance your previous application. If a new application is substantially the same as a previous unsuccessful application, we may refuse to consider it for assessment. A project can be assessed for funding as part of this program a maximum of two times. A project will not be assessed a third time.

The previous online proposal can be accessed in <u>portal.business.gov.au</u> after logging in if you wish to build on the information previously provided. You should select 'My applications', click on the Application Summary and select 'view submitted application'. Alternatively, you can request a pdf of your unsuccessful proposal by contacting regionalprecincts@industry.gov.au.

9.1. Feedback on your application

If you are unsuccessful, we will give you an opportunity to discuss the outcome with us. Questions can be directed to regionalprecincts@industry.gov.au.

10. Successful applications

10.1. The funding agreement

It is intended that applicants would then enter into a legally binding funding agreement with the relevant state or territory government agency responsible for administering the Program funding in your area. The Australian Government and the relevant state or territory government agency are not responsible for any expenditure you incur, and cannot make any payments, until a funding agreement is executed.

The approval of your funding opportunity may have specific conditions determined by the assessment process or other considerations made by the Program delegate or Minister. We will identify these in our communication to you.

If you do not enter into the funding agreement within two months of relevant correspondence, the Australian Government may withdraw its support for your project. Under certain circumstances, we may extend this period.

The funding agreement will set out the relevant project milestones, compliance requirements and reporting responsibilities, as well as relevant contact information for the period of the funding agreement.

10.2. Specific legislation, policies and industry standards

It is a condition of the funding that you comply with all relevant laws, regulations and Australian Government sanctions in undertaking your project. You must also comply with the specific legislation/policies/industry standards in your state or territory for the expenditure of public money and the procurement of goods and services. It is anticipated that compliance will be managed through a funding agreement with your relevant state and territory government agency.

In particular, you will be required to comply with State/Territory legislation in relation to working with children.

10.3. How we pay the funding

The funding agreement will set out the funding arrangements and the maximum amount payable for your project.

The Australian Government will not exceed the maximum funding amount under any circumstances. If you incur extra costs, you must meet them yourself.

You will be asked to report on:

- the proportion of eligible expenditure covered by the funding agreement (funding percentage)
- any financial contribution provided by you or a third party.

Payment will be subject to satisfactory progress on the project, based on the achievement of set milestones as detailed in the funding agreement.

Conditional to your funding, you will be asked to provide a satisfactory end of project report demonstrating you have completed outstanding obligations for the project.

10.4. Funding Payments and GST

If you are registered for the Goods and Services Tax (GST), where applicable GST will be added to your funding payment. GST does not apply to funding payments to government related entities.²

Funding is 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 <u>Australian Taxation Office</u>. We do not provide advice on tax.

11. Announcement of funding

Information about our funding commitment to your project may be provided through public media events. This information may include:

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

12. How we monitor your activity

12.1. Keeping us informed

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

DITRDCA 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.

Any significant changes to these details must be approved by the Commonwealth. Approval by the relevant state and territory government agency administering your project may also be required.

If you become aware of a breach of terms and conditions under the expected funding agreement with the state and territory government agency, you must contact DITRDCA immediately via your state and territory government contact.

You must notify DITRDCA of events relating to your project and provide an opportunity for the Australian Government Minister or their representative to attend.

12.2. Reporting

You must submit reports in line with the funding agreement. The funding agreement will outline the requirements for these reports. DITRDCA require you to report on:

- progress against agreed project milestones and outcomes
- project expenditure, including expenditure of funds

² See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

contributions of participants directly related to the project.

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

The Australian Government may conduct site visits to confirm details of your reports if necessary. Occasionally DITRDCA may need to re-examine claims, seek further information or request an independent audit of claims and payments.

Progress reports

You are obliged to report on the status of your project/s. Reporting requirements for state and territory governments, including on behalf of local governments, will be outlined in the funding agreement.

Progress reports must:

- include details of your progress towards completion of agreed project activities
- show the total eligible expenditure incurred to date
- include evidence of expenditure
- be submitted by the report due date (you can submit reports ahead of time if you have completed relevant project activities).

You will need to discuss any project or milestone reporting delays with your funding agreement contact as soon as you become aware of them.

12.2.2. Ad-hoc reports

DITRDCA may ask you for ad-hoc reports on your project where necessary. This may be to provide an update on progress, or any significant delays or difficulties in completing the project.

12.2.3. End of project report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the funding agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the funding was spent in accordance with the anticipated funding agreement and to report on any underspends of the funding
- identify the objectives and outcomes the project has achieved
- be submitted by the report due date.

12.3. Audited financial acquittal report

Depending on the size of the project, you may be asked to provide an independent audit report. An audit report will verify that you spent the funding in accordance with the funding agreement. The audit report requires you to prepare a statement of funding income and expenditure. Examples are available on business.gov.au.

12.4. Non-compliance

Non-compliance with the Program Guidelines will make your project ineligible for funding.

Applications for projects which have already been funded may have their funding withdrawn, and/or be required to repay funding already paid.

12.5. Funding agreement variations

If required, changes to the name, scope and timeframe for your project should be requested in writing at the time the need for change is identified and well before the funding agreement end date. Changes to projects will require authority from relevant Ministers.

The Commonwealth recognises that unexpected events may affect project progress. In these circumstances, you can request a variation to your funding agreement.

The Program does not allow for:

- an increase of funding
- significant changes to the approved project scope.

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 funding agreement. If we cannot coordinate movement of the funds, you may lose some funding.

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

- how it affects the project outcome
- consistency with the Program policy objective, funding opportunity guidelines and any relevant policies of the Department
- changes to the timing of funding payments
- availability of program funds.

12.6. Compliance visits

DITRDCA may visit you during the project period to review project progress. For large or complex projects, we may visit you after you finish your project. DITRDCA will provide you with reasonable notice of any compliance visit.

12.7. Record keeping

DITRDCA may also inspect the records you are required to keep under the funding agreement with the state and territory government jurisdiction.

12.8. Evaluation

DITRDCA will evaluate your project and the Program to measure how well the outcomes and objectives have been achieved. To support the evaluation of your project, you will be required to collect baseline and routine data as part of your progress reporting, and complete evaluation activities as part of the end of project report.

To support the broader program evaluation, we may use information from your application and project reports for this purpose. DITRDCA may also interview you, or ask you for more information to help identify how the funding impacted you and to evaluate how effective the Program was in achieving its outcomes.

DITRDCA may contact you up to two years after you finish your project for more information to assist with this evaluation.

12.9. Acknowledgement

Signage and communications requirements will be stipulated in your funding agreement. This includes that the Australian Government's funding contribution to projects is recognised in all publications, promotional and advertising materials, including project signage, and public announcements and activities in relation to a project as appropriate. The Australian Government,

through the state or territory government agency contact, must also be consulted prior to release of any promotional-related materials concerning your project.

You will be required to provide reasonable opportunity, through the funding agreement contact, for the Australian Government to contribute to developing communications strategies for your projects; and to provide the Australian Government with equal access to products that they obtain for use in the development of promotional material including but not limited to project data, footage and images.

13. Probity

We will make sure that the funding opportunity process is fair, according to the published guidelines, incorporates appropriate safeguards against fraud, unlawful activities and other inappropriate conduct.

These guidelines may be changed from time-to-time with the approval of the Program delegate or Minister. When this happens, the revised guidelines will be published online.

13.1. Enquiries and feedback

For further information and clarification on application assessments, application outcomes and timing, you can contact the Business Grants Hub on 13 28 46 or by web chat or through our online enquiry form on business.gov.au.

The Commonwealth may publish answers to your questions on our website as Frequently Asked Questions.

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

If you have a complaint, contact DITRDCA at

PrecinctsandPartnershipsProgram@infrastructure.gov.au.

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

Assistant Secretary

Cities and Suburbs Branch

Department of Infrastructure, Transport, Regional Development, Communications and the Arts GPO Box 594

CANBERRA ACT 2601

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

13.2. Conflicts of interest

Any conflicts of interest could affect the performance of the funding opportunity and/or program. There may be a conflict of interest, or perceived conflict of interest, if our staff, any member of a committee or advisor and/or you or any of your personnel:

- has a professional, commercial or personal relationship with a party who is able to influence the application selection process, such as an Australian Government officer or member of an external panel
- has a relationship with or interest in, an organisation, which is likely to interfere with or restrict the applicants from carrying out the proposed activities fairly and independently or
- has a relationship with, or interest in, an organisation from which they will receive personal gain because the organisation receives funding under the funding program/ funding opportunity.

As part of your application, we will ask you to declare any perceived or existing conflicts of interests or confirm that, to the best of your knowledge, there is no conflict of interest.

If you later identify an actual, apparent, or perceived conflict of interest, you must inform us in writing immediately.

Conflicts of interest for Australian Government staff are handled as set out in the Australian <u>Public Service Code of Conduct (Section 13(7))</u> of the <u>Public Service Act 1999</u>. Panel members and other officials including the decision maker must also declare any conflicts of interest.

We publish our <u>conflict of interest policy</u>³ on the department's website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

13.3. Privacy

Unless the information you provide to us is:

- confidential information as per below, or
- personal information as per below.

We may share the information with other government agencies for a relevant Commonwealth purpose such as:

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of funding agreements.

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

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

We may give the personal information we collect from you to our employees and contractors, the Panel, state and territory government agencies and their representatives, and other Commonwealth employees and contractors, so we can:

- manage the Program
- research, assess, monitor and analyse our programs and activities.

DITRDCA or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the Department's websites.

You may read our Privacy Policy⁴ on the Department's website for more information on:

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

³ https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf_files_redirect_

⁴ https://www.industry.gov.au/data-and-publications/privacy-policy

13.4. Confidential information

Other than information available in the public domain, you agree not to disclose to any person, other than us, any confidential information (defined at Item 14) relating to the funding application and/or agreement, without our prior written approval. The obligation will not be breached where you are required by law, Parliament or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

We may at any time, require you to arrange for you; or your employees, agents or subcontractors to give a written undertaking relating to non-disclosure of our confidential information in a form we consider acceptable.

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

We may disclose confidential information:

- to the Panel, state and territory government agencies and their representatives and
 Commonwealth employees and contractors, to help us manage the Program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or
- someone other than us has made the confidential information public.

13.5. Sharing information

Information submitted by the applicant may be provided to other organisations for the purposes of assessment. For successful projects, we expect relevant information will be shared with your state or territory government for the purposes of administering funding.

In addition, the details of successful projects will be made publicly available. Information from applications may also be used for research and analysis purposes.

Applicants should identify any information submitted which they wish to be considered as confidential, supported by reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat information as confidential. *The Privacy Act 1988* applies to the handling of personal information about individuals obtained in the course of the delivery of the programs.

13.6. Freedom of information

All documents in the possession of the Australian Government, including those about the Program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

14. Glossary

Term	Definition
administering entity	When an entity that is not responsible for the policy, is responsible for the administration of part or all of the administration processes.
	For receiving and assessing applications for consideration, that refers to work undertaken by the Department of Industry, Science and Resources (DISR) (Australian Government).
	Administration of the funding agreement, including ongoing project oversight, may be undertaken by your relevant state or territory government.
application form	The document issued by the Program delegate that applicants use to apply for funding under the Program.
assessment criteria	The specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive funding opportunity, to determine application ranking.
Australian local government body or agency	A local governing body as defined under the Local Government (Financial Assistance) Act 1995 (Commonwealth) as a local governing body established by or under a law of a State.
Commonwealth or Australian Government	A Department of State, or a Parliamentary Department, or a listed entity or a corporate body established by a law of the Commonwealth. See subsections 10(1) and (2) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).
completion date	The expected date that the project activity must be completed and the funding spent by.
confidential information	Information identified by the applicant or Commonwealth as being of a sensitive or commercial in confidence nature.

Term	Definition
date of effect	Can be the date on which a funding agreement is signed or a specified starting date. Where there is no funding agreement, entities must publish information on individual funding agreements as soon as practicable.
decision maker	The person who makes a decision to award funding. For this Program this is the Commonwealth Minister for Infrastructure, Transport, Regional Development and Local Government.
DISR	Department of Industry, Science and Resources (Australian Government).
DITRDCA	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (Australian Government)
eligible activities	The activities undertaken by a project proponent in relation to a project that are eligible for funding support as set out in 5.1.
eligible application	An application or proposal for funding under the Program that the Program delegate has determined is eligible for assessment.
eligibility criteria	Refer to the mandatory criteria which must be met to qualify for a funding agreement. Assessment criteria may apply in addition to eligibility criteria.
eligible expenditure	The expenditure incurred by a project proponent on a project and which is eligible for funding support as set out in 5.
eligible expenditure guidance	The guidance that is provided at Appendix A.
First Nations community- controlled organisations	These organisations are an Indigenous Organisation or enterprise and have an Indigenous Corporation Number (ICN) or can declare that they are a Traditional Owner or that their organisation is at least 51 per cent owned or controlled by Indigenous persons or the Indigenous Enterprise has 50 per cent Indigenous ownership.
funding activity/activities	Refers to the project/tasks/services that the project proponent is required to undertake.
funding agreement	A legally binding contract that sets out the relationship for the funding, and specifies the details of the funding agreement.
funding opportunity	Refers to the specific Program assessment round or process where Commonwealth funding is made available to potential project proponents. Funding opportunities may be open or targeted, and will reflect the relevant project selection process.

Term	Definition
funding or funds	The funding made available by the Commonwealth to project proponents under the Program.
Independent Expert Panel (the Panel)	The body established to assess eligible applications and determine which are meritorious. Panellists comprise a subset of the Urban Policy Forum.
low rate-based councils	Low rate-based councils are determined using the ratio of Financial Assistance Grant to Net Rate Income and are as follows: New South Wales Balranald Shire Council Berrigan Shire Council Coolamon Shire Council Cootamundra-Gundagai Regional Council Cowra Shire Council Edward River Council Federation Council Gilgandra Council Hay Shire Council Lachlan Council Lachlan Council Murray River Council Murray River Council Narrandera Shire Council Narrandera Shire Council Temora Shire Council Narrandera Shire Council Walcha Council Narrandera Shire Council Warrambidgee Council Narrandera Shire Council Warrambidgee Council Warrambidgee Council Warrambidgee Council Narrandera Shire Council Warrambidgee Council Coberon Council Warrambidge Shire Council Walcha Council Walcha Council Walcha Council Warrambungle Shire Council Weddin Shire Council Wentworth Shire Council Wentworth Shire Council Tasmania District Council of Karoonda East Murray District Council of Peterborough The Flinders Ranges Council Tasmania Central Highlands Council Southern Midlands Council Victoria Loddon Shire Council West Wimmera Shire Council

Term	Definition
	 Western Australia Shire of Cuballing Shire of Cunderdin Shire of Dowerin Shire of Kellerberrin Shire of Nannup Shire of Quairading Shire of Tammin Shire of Wickepin Shire of Wongan-Ballidu Shire of Woodanilling Shire of Wyalkatchem
Minister	The Commonwealth Minister for Infrastructure, Transport, Regional Development and Local Government.
National Housing Accord	The National Housing Accord brings together all levels of government along with investors and the construction sector, to unlock quality, affordable housing supply over the medium term. The Accord supports the Government's aspiration of building one million new homes over 5 years from 2024, as well as investing \$350 million in additional federal funding to deliver 10,000 affordable rental homes over five years from 2024 – matched by the states and territories.
partnership	For the purposes of the funding opportunity – partnership refers to collaboration between organisations/entities towards a shared goal. Applicants are not required to set up formal business partnership structures for the Program, however, as noted in the assessment criteria you must demonstrate evidence, including the provision of an established governance structure, that partners are committed to the goals of the project.
personal information	Has the same meaning as in the <i>Privacy Act 1988</i> (Commonwealth) which is: Information or an opinion about an identified individual, or an individual who is reasonably identifiable: a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
Precinct	Place of purpose as outlined in this document and the program FAQs.
Program	A 'program' carries its natural meaning and is intended to cover a potentially wide range of related activities aimed at achieving government policy outcomes.

Term	Definition	
Program administrator	DISR will have responsibility for administering the application process for the Program funding opportunity.	
Program delegate	A manager within the Australian Government with responsibility for administering the Program.	
Program funding or Program funds	The funding made available by the Commonwealth for the Program.	
project	A project described in an application for funding under the Program.	
project proponent	The organisation(s) which has been selected to receive a funding agreement.	
proposal	A detailed outline of project/s described in your application.	
Regional University	For the purposes of the funding opportunity – regional university refers to universities with a main campus or presence or universities that wish to establish a campus or presence within a regional area as stipulated by the Greater Capital City Statistical Area.	
remote or very remote location	Refers to projects located in 'remote' or 'very remote' locations per the Australian Bureau of Statistics' Remoteness Structure	
selection criteria	Comprises of eligibility criteria and assessment criteria.	
State and Territory Governments	State and Territory Governments are the: • Australian Capital Territory Government • New South Wales Government • Northern Territory Government • Queensland Government • South Australia Government • Tasmanian Government • Victorian Government • Western Australia Government	

Term	Definition
value with money	Value with money in this document refers to 'value with relevant money' which is a judgement based on the funding agreement proposal representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations.
	 When administering a funding opportunity, an official should consider the relevant financial and non-financial costs and benefits of each proposal including, but not limited to: the quality of the project proposal and activities; fitness for purpose of the proposal in contributing to government objectives;
	that the absence of funding is likely to prevent the project proponent and government's outcomes being achieved; and
	 the potential project proponent's relevant experience and performance history.
We	The Commonwealth

Appendix A. Eligible expenditure

This section provides guidance on the eligibility of expenditure. We may update this guidance from time to time.

The Program delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period
- be a direct cost of the project
- be incurred by you to undertake required project audit activities (where applicable)
- meet the eligible expenditure requirements.

A.1 How we verify eligible expenditure

If your application is successful, we may ask you to verify the project budget that you provided in your application. You may need to provide evidence such as quotes for major costs.

Your funding agreement with the state and territory government agency may seek evidence of when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must keep payment records of all eligible expenditure, and be able to explain how the costs relate to the agreed project activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you may be required to provide an independent financial audit of all eligible expenditure from the project.

A.2 Partnership Establishment and operation costs

We consider the costs associated with the establishment of a Partnership as eligible expenditure.

We will not make any payments to you for any expenditure you have incurred prior to the execution of your funding agreement.

Examples of eligible Partnership establishment costs can include:

- meeting costs e.g. hiring meeting spaces, hospitality costs, facilitators to bring all parties together in the establishment phase, and for consultation sessions and meeting of partners during the project
- advertising, social media, publicity associated with consultation activities
- establishing governance arrangements including professional and legal advice.

You may show expenditure on the establishment of a Partnership by providing evidence of:

- purchase price
- payments (e.g. tax invoices and receipts from suppliers confirming payment)
- commitment to pay for the services.

If you claim expenditure for the establishment of a partnership, we limit this to 10 per cent of the total funding amount.

A.3 Labour expenditure

We consider the costs associated with the establishment and management of a partnership as eligible expenditure. This includes labour costs. The Commonwealth will not make any payments under this program for any expenditure you have incurred prior to the execution of your funding agreement.

Eligible labour expenditure for the project covers the direct labour costs of employees you directly employ on the core elements of the project. We consider a person an employee when you pay them a regular salary or wage, out of which you make regular tax instalment deductions.

We consider direct costs for technical, administrative and management related to the partnership establishment and its ongoing management through the life of the project. However, we limit these costs to 20 per cent of the total amount of eligible labour expenditure claimed.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the ATO. We consider salary-sacrificed superannuation contributions as part of an employee's salary package if the amount is more than what the Superannuation Guarantee requires.

The maximum salary for an employee, director or shareholder, including packaged components that you can claim through the funding opportunity is \$200,000 per financial year.

For periods of the project that do not make a full financial year, you must reduce the maximum salary amount you claim proportionally.

You can only claim eligible salary costs when an employee is working directly on agreed project activities during the agreed project period.

A.4 Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30 per cent allowance to cover on-costs such as employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the purchase or provision of computing equipment directly required or related to the delivery of the project.

You should calculate eligible salary costs using the formula below:

You cannot calculate labour costs by estimating the employee's worth. If you have not exchanged money (either by cash or bank transactions) we will not consider the cost eligible.

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

A.5 Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

another organisation

an individual who is not an employee, but engaged under a separate contract.

All contractors must have a written contract prior to starting any project work—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We may require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders
- supply agreements
- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. The Commonwealth may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

Where possible, you should engage local labour and services. Eligible contract expenditure may include:

- Legal services
- Architect services
- Design services
- Project management
- Quantity surveying
- Building services
- Expertise relating to the development of business cases
- Data or research commissioned for the purpose of the project.

A.6 Travel expenditure

Eligible travel expenditure may include:

 domestic travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project and collaboration activities in Australia.

Eligible air transportation is limited to the economy class fare for each sector travelled; where non-economy class air transport is used only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is used, the proponent will require evidence showing what an economy airfare costs at the time of travel.

A.7 Other eligible expenditure

Other eligible expenditure for the project may include:

- costs associated with consultation sessions including venue hire and light refreshments (excluding alcohol)
- marketing and branding costs
- administration costs directly related to the project and partnership establishment and management including communications and consultation materials
- staff training that directly supports the achievement of project outcomes
- financial auditing of project expenditure, the cost of an independent audit of project expenditure (where we request one) up to a maximum of 1 per cent of total eligible project expenditure
- costs you incur in order to obtain planning, environmental or other regulatory approvals during the project period. However, associated fees paid to the Commonwealth, State, Territory and local governments are not eligible
- contingency costs up to a maximum of 10 per cent of the eligible project costs. Other specific expenditures may be eligible as determined by the program delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

Appendix B. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time.

The Program delegate may impose limitations or exclude expenditure, or further include some ineligible expenditure listed under this Program by notice to you.

Examples of ineligible expenditure include:

- research not directly supporting eligible activities
- activities, equipment or supplies that are already being supported through other sources
- costs incurred prior to us notifying you that the application is successful
- debt and financing costs, including interest
- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, computers, printers or photocopiers
- construction, renovation or extension of facilities such as building and laboratories; and site preparation activities
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- non-project-related staff training and development costs
- insurance costs (the participants must affect and maintain adequate insurance or similar coverage for any liability arising as a result of its participation in funded activities)
- costs related to obtaining resources used on the project, job advertising and recruiting, and contract negotiations
- ongoing maintenance costs
- costs of purchasing, leasing, depreciation of, or development of land
- ongoing upgrades, updates and maintenance of existing ICT systems and computing facilities
- routine operational expenses, including communications, accommodation, printing and stationery, postage, legal and accounting fees and bank charges
- costs related to preparing the funding application
- overseas travel costs

This list is not exhaustive and applies only to the expenditure of the funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.