

Australian Government

Department of Industry, Science, Energy and Resources

Department of Infrastructure, Transport, Regional Development and Communications

Grant Opportunity Guidelines

Building Better Regions Fund – Community Investments Stream – Round Five

Opening date:	12 January 2021	
Closing date and time:	5.00PM Australian Eastern Daylight Time on 5 March 2021	
	Please take account of time zone differences when submitting your application.	
Commonwealth policy entity:	Department of Infrastructure, Transport, Regional Development and Communications	
Administering entity:	Department of Industry, Science, Energy and Resources	
Enquiries:	If you have any questions, contact us on 13 28 46.	
Date guidelines released:	16 December 2020	
Type of grant opportunity:	Open competitive	

A message from the Minister



Our regions have always been integral to our economic success and this has never been more important than right now.

Investing in local communities is at the heart of our plan for a more secure and stronger Australia. In the 2020-21 Budget, we committed a further \$200 million for a fifth round of the Building Better Regions Fund to benefit areas outside major capital cities.

Our regional communities are tough. Country and coastal people are strong. After the prolonged effects of bushfires, drought, flood and now a global pandemic, regional tourism has been hit hard. That's why Round Five of the program includes \$100 million of targeted support for tourism-related infrastructure, with \$100 million for broader community infrastructure and investment.

This brings our total commitment for this highly successful program to more than \$1 billion over seven years.

The Building Better Regions Fund has already delivered significant benefits —creating jobs and driving economic growth — and reflects the Government's commitment to supporting regional communities now and into the future.

I encourage all interested parties to read the grant guidelines and apply for funding under this program, because when our regions are strong, so too is our nation.

The Hon Michael McCormack MP

Deputy Prime Minister

Minister for Infrastructure, Transport and Regional Development

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1. Building Better Regions Fund: Community Investments Stream – Round Five processes

The Building Better Regions Fund is designed to achieve Australian Government objectives This grant opportunity is part of the above grant program, which contributes to the Department of Infrastructure, Transport, Regional Development and Communications' (DITRDC) Outcome 3. The DITRDC works with stakeholders to plan and design the grant program according to the *Commonwealth Grants Rules and Guidelines.*

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The grant opportunity opens

We publish the grant guidelines on business.gov.au and GrantConnect.

You complete and submit a grant application

You complete the application form, addressing all the eligibility and assessment criteria in order for your application to be considered.

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We assess all grant applications

We review the applications against eligibility criteria and notify you if you are not eligible.

We assess eligible applications against the assessment criteria including an overall consideration of value with relevant money and compare it to other eligible applications.

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We make grant recommendations

We provide advice to the decision maker on the merits of each application.

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Grant decisions are made

The decision maker decides which applications are successful.

✓ We notify you of the outcome

We advise you of the outcome of your application. Unsuccessful applicants will be notified after the announcement of successful applicants.

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We enter into a grant agreement

We will enter into a grant agreement with successful applicants. The type of grant agreement is based on the nature of the grant and proportional to the risks involved.

✓ Delivery of grant

You undertake the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making milestone payments.

Evaluation of the Building Better Regions Fund

We evaluate the specific grant activity and Building Better Regions Fund as a whole. We base this on information you provide to us and that we collect from various sources.

2. About the grant program

The Australian Government has committed a total of \$1.04 billion over seven years from 2017-18 to 2023-24 for the Building Better Regions Fund (the program). The Round Five grant opportunity was announced in Budget Paper 2, *Supporting Regional Australia*. \$200 million is available for this program, with \$100 million of this dedicated to tourism-related infrastructure projects. Community Investment Projects (as outlined in these guidelines) cannot be funded from the \$100 million dedicated to tourism-related infrastructure projects.

The **objectives** of the program are to:

- drive economic growth
- build stronger regional communities into the future.

The intended **outcomes** of the program are to:

- 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 a sense of identity.

There are two grant opportunity streams as part of this program:

- <u>Community Investments Stream</u> as outlined in these guidelines
- Infrastructure Projects Stream.

Information about the Infrastructure Projects Stream is available on business.gov.au.

We will publish the <u>opening and closing dates</u> and any other relevant information on business.gov.au and GrantConnect for each grant opportunity separately.

We administer the program according to the <u>Commonwealth Grants Rules and Guidelines</u> (CGRGs)¹.

2.1. About the Community Investments Stream Round Five grant opportunity

These guidelines contain information for the Community Investments Stream Round Five grant opportunity.

The Community Investments Stream will fund new or expanded local events, strategic regional plans, or leadership and capability strengthening activities that provide economic and social benefits to regional and remote areas. Infrastructure projects are not eligible under the Community Investments Stream.

This document sets out:

- the eligibility and assessment criteria
- how we consider and assess grant applications
- how we notify applicants and enter into grant agreements with grantees
- how we monitor and evaluate grantees' performance

¹ <u>https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines</u>

responsibilities and expectations in relation to the opportunity.

The Department of Industry, Science, Energy and Resources (the department/we) is responsible for administering this grant opportunity on behalf of the DITRDC.

We have defined key terms used in these guidelines in the glossary at section 14.

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

3. Grant amount and grant period

Round Five will provide \$100 million for tourism-related infrastructure projects under the Infrastructure Projects Stream, and a further \$100 million for other projects under the Infrastructure Projects Stream and the Community Investment Stream combined, with the allocation of funding across these streams dependent on the volume and quality of applications.

3.1. Grants available

Your grant amount will be a percentage of the total eligible project costs (grant percentage) based on your project circumstances as outlined in Table 1 below.

- The minimum grant amount is \$5,000
- The maximum grant amount is \$1 million.

You can fund your contribution from any source including state, territory and local government grants. Your contribution must be cash.

Where you receive a cash contribution from another source (e.g. state government), the source must provide you with formal documentation confirming the cash contribution so you can attach it to your application.

Your contribution can also come from the Aboriginal Benefits Account, Financial Assistance Grants to local government, and fully repayable loans from organisations such as Indigenous Business Australia and the Northern Australia Infrastructure Facility, as these are not considered Commonwealth funding. Please check the individual agreements to ensure you can use the funds as your contribution to your proposed BBRF project.

Where you receive other Commonwealth funding for your project, the total Commonwealth funding cannot exceed the percentage indicated in the table below.

Table 1: Project circumstance and your grant amount

Project circumstance	Total Commonwealth Government funding (including this grant) towards eligible project costs*
Projects classified as remote or very remote (see section 5.2.1)	Up to 75 per cent of total eligible project costs
Projects granted exceptional circumstances exemption from a cash contribution (see section 4.2.1)	Up to 100 per cent of total eligible project costs (we encourage any level of contribution)
Projects with a total grant amount of equal to or less than \$20,000	Up to 100 per cent of total eligible project costs (we encourage any level of contribution)
All other classifications	Up to 50 per cent of total eligible project costs

*Total eligible project costs include the grant amount and your cash contribution. We will pay the grant in accordance with the agreed grant percentage of total eligible project costs up to the approved grant amount.

3.2. Project period

You must complete your project by the project end date specified in your grant agreement, which cannot be after 31 December 2023.

4. Eligibility criteria

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

4.1. Who is eligible?

To be eligible you must be the key driver of the project and:

- have an Australian Business Number (ABN)
- and be one of the following incorporated entities:
- an incorporated 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
- an Australian local government agency or body as defined in the glossary
- non-distributing co-operatives.

For the purposes of the program, we also consider the following organisations to be an Australian local government agency or body:

- Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna and Yalata local governing bodies in South Australia
- Cocos (Keeling) Islands Shire Council

- Lord Howe Island Board
- Norfolk Island Regional Council
- The Outback Communities Authority
- The Shire of Christmas Island
- The Silverton and Tibooburra villages in New South Wales
- The Trust Account in the Northern Territory
- Australian Capital Territory Government.

4.2. Additional eligibility requirements

We can only accept applications where:

- your project is located in an eligible location as outlined under section 5.2
- you can produce evidence of how you will provide your share of project costs:
 - if you will be making a cash contribution to the project you must use the Accountant Declaration form available on <u>business.gov.au</u> and GrantConnect
 - if your project will receive cash contributions from other sources, you must provide formal documentation confirming the cash contributions from those sources (e.g. state government) such as a commercial finance agreement or letter of offer with your application.

We cannot waive the eligibility criteria under any circumstances.

4.2.1. Seeking an exceptional circumstances exemption from your cash contribution to the project

We recognise that some applicants may be experiencing exceptional circumstances, which may limit their capacity to contribute to the project.

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.

Where you can demonstrate you are experiencing exceptional circumstances, you may seek an exemption from your cash contribution to the project in your application.

Before you consider seeking an exemption, note:

- we will only grant exemptions in very limited circumstances
- if the evidence provided does not include how the exceptional circumstance is preventing you from meeting your cash contribution requirement, or is deemed insufficient, your application will be deemed ineligible and there will be no opportunity to resubmit your application in the same funding round
- we assess all applications, including those granted an exemption, against each of the assessment criteria.

If you seek an exemption, you must submit a supporting case that includes evidence demonstrating the exceptional circumstances you are experiencing, and how they are preventing you from making a cash contribution. 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 the Ministerial Panel grants an exemption, we will consider your application to have met the requirements under section 4.2.1. If you apply for, but are not granted an exemption, your application will not be assessed for funding.

4.3. 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 not-for-profit trust organisation)
- a Commonwealth, state or territory government agency or body (including government business enterprises) with the exception of those organisations referred to in section 4.1.
- a university, technical college, school or hospital
- a Regional Development Australia Committee.

4.4. What qualifications or skills are required?

If you are successful, relevant personnel working on the project must maintain the following registration/checks:

- Working with Children check
- Working with Vulnerable People registration.

5. What the grant money can be used for

5.1. Eligible activities

To be eligible your project must:

- be aimed at new or expanded local events, strategic regional plans, or leadership and capability strengthening activities that provide economic and social benefits to regional and remote areas
- comprise one of the following activities:
 - local events
 - strategic planning
 - regional leadership and capability
- not have commenced.

We may also approve other activities.

5.1.1. Local events

Investment in local events provides economic, social and cultural opportunities for people living in regional areas. Events drive economic growth, promote community participation and inclusion, encourage volunteerism and build upon a region's identity.

You can only receive funding for an event once under this program.

Funding is intended as seed funding for local events that:

- are new to the community; or
- support a significant addition to an existing event.

Applications for one-off events will need to demonstrate the long-term benefit to the community, including but not limited to media exposure, promotion of local businesses and visitors from outside the region.

Should your event be ongoing (e.g. annual), you will still need to demonstrate the long term benefits (as above) and also clearly outline your strategy to fund the ongoing event without Australian Government funding.

Events must take place after you execute a grant agreement with the Commonwealth.

5.1.1.1. Local events eligible activities

Eligible activities include:

- art and culture events, for example theatre productions, gallery exhibitions and Indigenous cultural events
- community and public events, for example food festivals, field days, seasonal activities, veterans or memorial events
- attracting new businesses or economic opportunities, for example hosting a conference or business event to coordinate and enable growth in a particular industry sector or address obstacles in accessing markets
- community sporting events, for example an exhibition sporting match or hosting an interstate sports carnival
- events attracting tourists and visitors to a region.

5.1.1.2. Local events ineligible activities

Ineligible activities include:

- existing events (that are not new to the community, or are not a significant addition to an existing event or activity)
- an event that has already received support under the BBRF program
- activities where the main benefit is intended to go to only one sector or group within the broader community (e.g. a specific club, society or religious group). Funding for an individual sports team or organisation to attend an event is not eligible
- fundraising events
- events for political/lobby groups
- private events
- classes and training (e.g. fitness, sports, arts, language, cooking)
- activities the organisation undertakes as part of its usual business practices and responsibilities
- possible or future unidentified events.

5.1.2. Strategic planning

Activities to facilitate the development of quality regional or sectoral plans which will help drive the development of strong regions. Plans should focus on pursuing economic opportunities and/or

addressing identified challenges across a region or industry sector. You should develop plans in close consultation with key regional stakeholders.

5.1.2.1. Strategic planning eligible activities

Eligible activities include:

- regional skills audits
- research projects to support regional development strategic plans
- collecting socio-economic information.

5.1.2.2. Strategic planning ineligible activities

Ineligible activities include:

- land use planning, including road and precinct planning
- service delivery planning and internal business analysis
- capital funding for research centres
- feasibility studies or cost-benefit analysis for specific projects, and planning or designs for specific infrastructure development
- activities the organisation undertakes as part of its usual business practices and responsibilities
- development of a prospectus.

5.1.3. Regional leadership and capability

These activities will build the capability of regional leaders, equipping them with the skills to effectively drive change and champion positive futures for their communities. All leadership and capability activities will need to demonstrate clear and definitive outcomes including broad benefits for the community.

Regional leaders include key representatives from community organisations, local government, local industry leaders, local youth leaders, Indigenous leaders, and industry bodies.

If you are considering applying for funding to develop current leadership and resilience skills to support your local communities through future economic challenges, you may like to consider the Building Strong, Resilient Regional Leaders initiative announced in the 2020-21 Federal Budget.

5.1.3.1. Regional leadership and capability eligible activities

Eligible activities include:

- leadership courses
- participation and community building measures for young people
- participation in activities to improve local business and industry leadership capability.

5.1.3.2. Regional leadership and capability ineligible activities

Ineligible activities include:

- vocational education and training (VET)
- apprenticeships
- higher education qualifications
- direct funding to education and training providers

- activities the organisation undertakes as part of its usual business practices and responsibilities
- funding for staff wages or leadership positions within an organisation
- training unrelated to building leadership capability
- internally provided staff training.

5.2. Eligible locations

Your project must not be located in an excluded area unless you can clearly demonstrate the significant benefits and employment outcomes, which flow directly into an eligible area. A mapping tool is available on <u>business.gov.au</u> to assist you in determining the eligibility of your project location. Your project can include activities at different sites, as long as they are in an eligible location or you can demonstrate the significant benefits and employment outcomes, which flow directly into an eligible location.

Excluded areas are the Urban Centre and Locality (UCL) cities over 1 million people for Sydney, Melbourne, Brisbane, Perth and Adelaide as defined by the Australian Bureau of Statistics' Australian Statistical Geography Standard. For the city of Canberra, the excluded area is only the part of the Canberra-Queanbeyan Significant Urban Area that is located within the Australian Capital Territory.

5.2.1. Project remoteness classification and your grant amount

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

Your contribution to the project depends on your remoteness classification. It is critical that you specify the correct remoteness classification in your application. An error may cause your contribution to be inadequate and your application to be ineligible.

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

5.3. Eligible expenditure

You can only spend grant funds on eligible expenditure you have incurred on an agreed project as defined in your grant agreement:

- for guidance on eligible expenditure, see Appendix A
- for guidance on ineligible expenditure, see Appendix B.

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

Not all expenditure on your project may be eligible for grant funding. The Program Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

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

To be eligible, expenditure must:

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

You must incur the project expenditure between the project start and end date for it to be eligible.

You must not commence your project until you execute a grant agreement with the Commonwealth. We will not make any payments to you for any expenditure you have incurred prior to the execution of your grant agreement.

6. The assessment criteria

You must address all assessment criteria in your application. We will assess your application based on the weighting given to each criterion.

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 grant amount requested. You must provide evidence to support your answers against each of the assessment criteria. The application form displays size limits for answers.

We will only consider funding applications that score at least 60 per cent against each assessment criterion, as these represent best value with relevant money.

6.1. Assessment criterion 1

Economic benefits of your project for the region (15 points)

You should demonstrate this by identifying:

- a. the extent to which your project meets the needs of the regional community
- b. the broader economic benefits that your project will deliver for the region and community during and beyond the term of funding.

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 deliver economic benefits may include but is not limited to:

- 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)
- providing opportunities for growth and/or increasing efficiencies in existing sectors, e.g. tourism, agriculture, manufacturing
- the use of local suppliers and goods, especially those that employ the use of sustainable work practices/goods
- increasing Indigenous economic participation, including Indigenous employment and supplier-use outcomes.

In your application, you must include the total employment numbers you expect to create during and following your project. You will need to identify how many of these employees will be Indigenous. You must substantiate any employment numbers with evidence.

6.2. Assessment criterion 2

Social benefits of your project for the region (15 points)

You should demonstrate this by identifying:

- a. the extent to which your project meets the needs of the regional community
- b. the broader social benefits that your project will deliver for the region and community during and beyond the term of funding.

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 deliver social benefits may include but is not limited to:

- making a region a more attractive place to live
- the degree to which the project fills a 'gap' within the community
- improving community connections and social inclusion
- supporting or protecting local heritage and culture
- increasing community volunteering
- addressing disadvantage within the community.

6.3. Assessment criterion 3

Capacity, capability and resources to deliver the project (5 points)

You should demonstrate this by identifying:

- a. your track record managing similar projects and access to personnel and/or partners with the right skills and experience
- b. your readiness to commence the project with appropriate approvals planned for or in place
- sound project planning to manage and monitor the project, which addresses scope, implementation methodology, timeframes, budget and risk management (including mitigation of health risks associated with the current COVID-19 pandemic).

6.4. Assessment criterion 4

Impact of funding on your project (5 points)

You should demonstrate this by identifying:

- a. your plan for engagement and collaboration to ensure community support for your project. In your response you can describe:
 - the total investment the grant will leverage including additional cash contribution and in-kind support
 - the extent that your project increases investment and builds partnerships in your region.
- b. the likelihood the project would proceed without the grant. If not, why not? Explain how the grant will impact the project in terms of size, timing and reach
- c. if you have already received Commonwealth funding for this project or an associated project, explain why you need additional funding.

7. How to apply

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

We encourage you to seek the support of your <u>Regional Development Australia</u>³ (RDA) Committee for your project. Your RDA Committee can:

- assist you in identifying and developing a strong project proposal which is a priority within your region and will contribute to long term economic growth.
- work with you to prepare a competitive application, including supporting documents and evidence.

You can only submit an application during a funding round.

To apply, you must:

- complete the online program application form on business.gov.au
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You will receive confirmation when you submit your application, and we recommend you view and print a copy of your submitted application from the portal at that time for your own records.

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 Act 1995* (Cth). If we consider you to 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.

If we find an error or information that is missing, we may ask for clarification or additional information from you that will not change the nature of your application. However, we can refuse to accept any additional information from you that would change your submission after the application closing time.

If you need further guidance around the application process, or if you are unable to submit an application online, <u>contact us</u> at business.gov.au or by calling 13 28 46.

7.1. Attachments to the application

We require the following documents with your application as per Table 2:

³ <u>https://rda.gov.au/</u>

Table 2: Mandatory	attachments	to	the	application

	Document		
Mandatory for all applicants making a cash contribution to the project	 If you are making a cash contribution to the project, you must provide an Accountant Declaration that confirms you can fund your share of the project costs. You must use the Accountant Declaration form available on <u>business.gov.au</u> and GrantConnect. If your project will receive cash contributions from other sources, you must attach a letter/s from each contributing organisation or individual that includes formal documentation confirming the cash contributions they will make towards the project. A template is provided on <u>business.gov.au</u> and <u>GrantConnect</u>. Letters must: 		
	 be on the organisation's letterhead (not applicable for individuals) 		
	 be signed and dated by an authorised person or the individual providing the contribution 		
	 set out the value and timing of cash contributions and any conditions attached 		
	 include the commercial agreement or letter of offer to verify that the cash contribution has been committed to the project (not applicable for individuals). 		

	Document
Mandatory for applicants seeking an exceptional circumstances exemption from the cash contribution requirements	Evidence to demonstrate your case for exemption as outlined in 4.2.1.
Mandatory for not-for-profit organisations	If you do not have an active Australian Charities and Not-for-profits Commission (ACNC) registration or state or territory incorporated association registration at the time of application, you must provide Constitutional documents and/or Articles of Association that demonstrate the not-for-profit character of the organisation.
Mandatory for not-for-profit organisations that are incorporated trustees applying on behalf of a trust	Trust documents showing the relationship of the incorporated trustee to the trust.
Mandatory for all applicants applying for a leadership course	 Provide a current quote and course information. Must include: date of the course cost of the course course outline.
	Quotes must be obtained and dated within two months of application lodgement.

You must attach supporting documentation to the application form in line with the instructions provided within the form. You should only attach requested documents. We will not consider information in attachments that we do not request.

7.2. Timing of grant opportunity

The outcome of the grant selection process is expected to be announced mid-2021.

You can only submit an application between the published opening and closing dates. We only accept late applications where:

 a natural disaster has occurred in your area, which has affected the submission of an application.

If you are successful, you can commence your project from the date you execute a grant agreement with the Commonwealth.

Table 3: Expected timing for this grant opportunity

Activity	Timeframe	
Assessment of applications	9 weeks	
Approval of outcomes of selection process	8 weeks	
Negotiations and award of grant agreements	1-5 weeks	
Notification to unsuccessful applicants	2 weeks	
Earliest start date of project	From execution of your grant agreement	
End date of grant commitment	30 June 2024	

8. The grant selection process

We first review your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage.

We consider your application on its merits, based on:

- how well it meets the criteria
- how it compares to other applications
- whether it provides value with relevant money
- your past performance with project delivery.

When assessing whether the application represents value with relevant money, we will consider the:

- overall objectives of the grant opportunity
- evidence provided to demonstrate how your project contributes to meeting those objectives
- relative value of the grant sought.

We assess applications relative to the project size, complexity and grant amount requested. The amount of detail and supporting evidence you provide in your application should be relative to these factors.

We may seek advice regarding your project from state or territory government agencies, other Australian Government agencies, independent experts and other external parties. This advice may be taken into consideration when assessing the project.

If we identify unintentional errors in your application during the assessment process, we may contact you to correct or clarify the errors, but you cannot make any material alteration or addition.

8.1. Who will approve grants?

A Ministerial Panel, chaired by the Minister for Infrastructure, Transport and Regional Development, will be established to make funding decisions for the program.

After considering the assessed application and availability of grant funds, the Ministerial Panel, in consultation with Cabinet, then decides which grants to approve. 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 existing or planned projects in the region, and the extent to which the proposed project supports or builds on those projects and the services 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's decision is final in all matters, including:

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

We cannot review decisions about the merit of your application.

9. Notification of application outcomes

We will advise you of the outcome of your application in writing. If you are successful, we will advise you of any specific conditions attached to the grant.

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

10. Successful grant applications

10.1. Grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample grant agreement is available on business.gov.au and GrantConnect.

We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have signed the agreement. We are not responsible for any expenditure you incur until a grant agreement is executed.

The approval of your grant 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.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

10.2. Standard grant agreement

We will use a standard grant agreement for all projects.

You will have 60 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Ministerial Panel.

10.3. Project specific legislation, policies and industry standards

You must comply with all relevant laws and regulations in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

10.3.1. Child Safety Requirements

You must comply with all relevant legislation relating to the employment or engagement of anyone working on the project that may interact with children, including all necessary working with children checks.

You must implement the National Principles for Child Safe Organisations endorsed by the Commonwealth and available at: <u>https://www.humanrights.gov.au/national-principles-child-safe-organisations.</u>

You will need to complete a risk assessment to identify the level of responsibility for children and the level of risk of harm or abuse, and put appropriate strategies in place to manage those risks. You must update this risk assessment at least annually.

You will also need to establish a training and compliance regime to ensure personnel are aware of, and comply with, the risk assessment requirements, relevant legislation including mandatory reporting requirements and the National Principles for Child Safe Organisations.

You will be required to provide an annual statement of compliance with these requirements in relation to working with children.

10.4. How we pay the grant

The grant agreement will state the:

- maximum grant amount we will pay
- proportion of eligible expenditure covered by the grant (grant percentage)
- any financial contribution provided by you or a third party.

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.

We may make an initial payment on execution of the grant agreement. We will make subsequent payments as you achieve milestones in arrears, based on your actual eligible expenditure. Milestone payments are subject to satisfactory progress on the project.

Note that if you request an upfront initial payment, we will request additional financial information from you, to verify your organisation is unable to cover the costs associated with your project without that initial grant payment.

We set aside at least 10 per cent of the total grant funding for the final payment. We will pay this when you submit a satisfactory end of project report demonstrating you have completed outstanding obligations for the project. We may need to adjust your progress payments to align with available program funds across financial years and/or to ensure we retain a minimum 10 per cent of grant funding for the final payment.

The Program Delegate may approve alternative arrangements on a discretionary basis.

10.5. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities⁴.

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

11. Announcement of grants

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the <u>Commonwealth Grants Rules and Guidelines</u> unless otherwise prohibited by law. We may also publish this information on business.gov.au. 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
- your organisation's industry sector.

12. How we monitor your grant activity

12.1. 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.

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

⁴ See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

12.2. Reporting

You must submit reports in line with the grant agreement. We will provide the requirements for these reports as appendices in the grant agreement. 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
- project expenditure, including expenditure of grant funds
- 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 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.

12.2.1. Progress reports

Progress reports must:

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

We will only make grant payments when we receive progress reports showing satisfactory progress on the project.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

12.2.2. 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 grant agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the grant money was spent in accordance with the grant agreement and report on any underspends of the grant money
- be submitted by the report due date
- be in the format provided in the grant agreement.

12.2.3. Ad-hoc reports

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

12.3. Independent audits

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a

statement of grant income and expenditure. The report template is available on business.gov.au and GrantConnect.

12.4. Compliance visits

We may visit you during the project period, or at the completion of your project to review your compliance with the grant agreement. We may also inspect the records you are required to keep under the grant agreement. For large or complex projects, we may visit you after you finish your project. We will provide you with reasonable notice of any compliance visit.

12.5. Grant agreement variations

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

- changing project milestones
- extending the timeframe for completing the project but within the maximum time period (i.e. 31 December 2023) referred to in section 3.2
- changing project activities.

Note the program does not allow for:

• an increase 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.

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 program 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, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

12.6. Evaluation

We will evaluate the grant program to measure how well the outcomes and objectives have been achieved. We may use information from your application and project reports for this purpose. 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 up to two years after you finish your project for more information to assist with this evaluation.

12.7. Grant acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

'This project received grant funding from the Australian Government.'

If you erect signage in relation to the project, the signage must contain an acknowledgement of the grant.

13. Probity

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

13.1. Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity 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 a grant under the grant program/ grant 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</u> <u>Service Code of Conduct (Section 13(7))</u>⁵ of the *Public Service Act 1999* (Cth). Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our <u>conflict of interest policy</u>⁶ on the department's website.

13.2. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.2.1, or
- personal information as per 13.2.3,

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 grants.

⁵ https://www.legislation.gov.au/Details/C2019C00057

⁶ <u>https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf_files_redirect</u>

13.2.1. How we handle your confidential information

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.

13.2.2. When we may disclose confidential information

We may disclose confidential information:

- to the Ministerial Panel and our 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.

13.2.3. How we use your personal information

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 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's websites.

You may read our <u>Privacy Policy</u>⁷ 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.

⁷ <u>https://www.industry.gov.au/data-and-publications/privacy-policy</u>

13.2.4. 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.

13.3. Enquiries and feedback

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

We 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, 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 – Support for Business Department of Industry, Science, Energy and Resources GPO Box 2013 CANBERRA ACT 2601

You can also contact the <u>Commonwealth Ombudsman⁸</u> with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

14. Glossary

Term	Definition	
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.	
AusIndustry	The division of the same name within the department.	

⁸ <u>http://www.ombudsman.gov.au/</u>

Term	Definition
Cash contributions	Money contributed to the project from each contributing organisation (the grantee and other contributing organisations), and is provided to the grantee for the project and is immediately available for use on the project.
	Cash contributions can come from any source including state, territory and local government grants.
	Cash contributions can also come from the Aboriginal Benefits Account, Financial Assistance Grants to local government and fully repayable loans from organisations such as Indigenous Business Australia and the Northern Australia Infrastructure Facility, as these are not considered Commonwealth funding. Please check the individual agreements to ensure you can use the funds as your contribution to your proposed BBRF project.
Decision Maker	The Ministerial Panel, chaired by the Minister for Infrastructure, Transport and Regional Development, which will be established to make funding decisions for the program.
Department	The Department of Industry, Science, Energy and Resources.
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.3 and at Appendix A. You can only use BBRF grant funds or cash contributions for eligible expenditure directly related to the project.
Eligible expenditure guidance	The guidance that is provided at Appendix A.
Grant agreement	A legally binding contract between the Commonwealth and a grantee for the grant funding.
Grant funding or grant funds	The funding made available by the Commonwealth to grantees under the program.
<u>GrantConnect</u>	The Australian Government's whole-of-government grants information system, which centralises the publication and reporting of Commonwealth grants in accordance with the CGRGs.
Grantee	The recipient of grant funding under a grant agreement.

Term	Definition
Guidelines	Guidelines that the Minister gives to the department to provide the framework for the administration of the program, as in force from time to time.
Incurred	An incurred expense is a legal liability for receiving goods or services.
Local government agency or body	A local governing body as defined in the <i>Local Government</i> (<i>Financial Assistance</i>) <i>Act 1995</i> (Cth).
Minister	The Commonwealth Minister for Infrastructure, Transport and Regional Development.
Ministerial Panel	The panel of Ministers that make decisions on projects to be funded.
Non-income-tax-exempt	Not exempt from income tax under Division 50 of the <i>Income Tax Assessment Act 1997</i> (Cth) or under Division 1AB of Part III of the <i>Income Tax Assessment Act 1936</i> (Cth).
Not-for-profit (NFP)	A not-for-profit is an organisation that does not operate for the profit, personal gain or other benefit of particular people (for example, its members, the people who run it or their friends or relatives). The definition of not-for-profit applies both while the organisation is operating and if it closes down.
Payment in advance	Payments made progressively in advance based on your forecast eligible expenditure and adjusted for unspent amounts from previous payments.
Payments in arrears	Payments made progressively based on actual expenditure.
Personal information	Has the same meaning as in the <i>Privacy Act 1988</i> (Cth) 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; andb. whether the information or opinion is recorded in a material form or not.
Program Delegate	An AusIndustry general manager or manager within the department with responsibility for 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 grant funding under the program.

Term	Definition
Project location	Where the project is undertaken, as determined by its latitude and longitude.
Project period	The time between the project start date and project end date as detailed in the grant agreement.
Project start date	The date as detailed in the grant agreement, which cannot be before grant agreement execution.
Project end date	The date as detailed in the grant agreement, which cannot be after 31 December 2023.
Total eligible project costs	This is the grant amount plus your cash contribution to be spent on eligible activities directly related to the project.
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.

Appendix A. Eligible expenditure

This section provides guidance on the eligibility of expenditure.

The Program Delegate makes the final decision on what is eligible expenditure in accordance with the guidelines and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period, and
- be a direct cost of the project, or
- be incurred by you to undertake required project audit activities, and
- meet the eligible expenditure guidelines.

You can only use BBRF grant funds or cash contributions for eligible expenditure. Non-cash contributions are not eligible. For BBRF purposes, non-cash contributions have the following characteristics:

- no impact on entity cash flow
- no record in the entity's statement of financial performance.

In-kind contributions are not eligible expenditure.

A.1 How we verify eligible expenditure

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

The grant agreement will include details of the evidence you may need to provide 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 provide evidence as to 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 Hired/leased plant

You may lease plant and equipment to support your project, and where possible, you should use local suppliers.

For leased items, you will need to show an executed copy of the lease identifying the capital cost of the item and the lease period.

You must calculate eligible expenditure for hired, rented, or leased plant by the number of payment periods where you use the plant for the project multiplied by the period hiring fee.

Running costs for hired or leased plant are eligible expenditure but you must be able to verify them. They may include items such as hire, light and power.

A.3 Labour expenditure

Labour expenditure is only eligible for 'Local events' and 'Strategic Planning' projects. Eligible labour expenditure for the grant covers the direct labour costs of employees you directly employ on the core eligible activities 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. Where possible, you should use local labour to deliver your project.

We do not consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, even if they are doing project management tasks.

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 salarysacrificed 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 grant, is \$175,000 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.

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.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 provision of computers.

A.5 Contract expenditure

Eligible contract expenditure is the cost of work undertaken on any agreed eligible 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.

This does not include existing employees that you pay a salary or a wage.

Where possible, you should engage local contractor/operators. 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 will 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. We 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.

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 noneconomy class air transport is undertaken, only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is undertaken, the grantee will require evidence showing what an economy airfare cost at the time of travel.

Travel must comply with relevant COVID-19 restrictions.

A.7 Other eligible expenditure

Other eligible expenditures for the project may include:

- financial auditing of 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
- agreed Building Better Regions Fund signage if applicable.

Other specific expenditures may be eligible as determined by the Program Delegate in accordance with the CGRGs and Government practice.

Evidence you need to supply can include but is not limited to 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, so you should make sure you have the current version from the business.gov.au website before preparing your application.

The Program Delegate may impose limitations or exclude expenditure, or further include some ineligible expenditure listed in these guidelines in a grant agreement or otherwise by notice to you.

Examples of ineligible expenditure include:

- purchase, refurbishment or extension of permanent infrastructure or assets that have benefits wider than the specified event
- purchase of land or existing infrastructure
- ongoing operating costs, including utilities, internet costs, and business as usual staff salaries and training
- business case development and feasibility studies
- costs for existing event activities
- making donations, gifts and sponsorships
- membership costs
- writing the application and reporting for the grant
- costs related to registered training organisation training activities
- costs incurred prior to the execution of a grant agreement
- fees paid to the Commonwealth, state, territory and local governments to obtain planning, environmental or other regulatory approvals.

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where the Program Delegate determines they do not directly support the achievement of the planned outcomes for the project or, 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.