



Australian Government

Department of Infrastructure and Regional Development

Grant Programme Guidelines

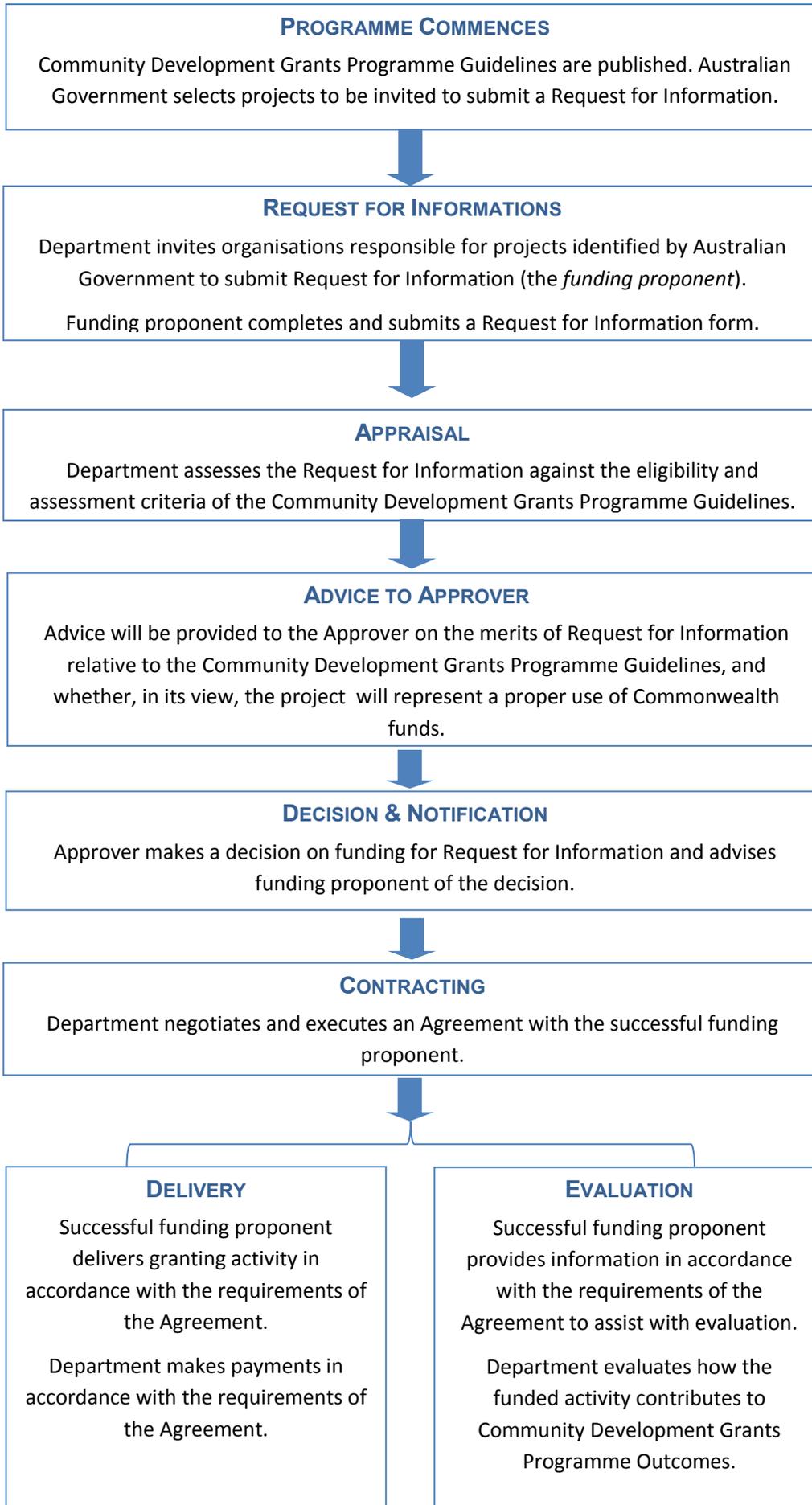
Community Development Grants Programme

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Process Flowchart



1. Introduction

The Australian Government has established the Community Development Grants Programme to support needed infrastructure that promotes stable, secure and viable local and regional economies.

Only projects identified by the Australian Government will be considered for funding under the Community Development Grants Programme, including 2013 and 2016 election commitments and Government selection uncontracted projects from the Regional Development Australia Fund and Community Infrastructure Grant Program.

The Community Development Grants Programme is not a competitive grants programme.

General applications by organisations for projects not identified by the Australian Government will not be accepted by the Department. A list of Community Development Grant projects can be found on the Departments website at <www.infrastructure.gov.au>.

A total of \$936.8 million is available under the Community Development Grants Programme for single year or multiple years projects. Projects range in value from \$2,000 to \$35 million. Funding will commence in the 2013-14 financial year and will cease on 30 June 2020. Multi-year projects must be scheduled for completion and final payment made on or before 30 June 2020.

These Guidelines apply to all projects considered for funding under the Community Development Grants Programme.

1.1. Programme Outcomes

The Outcome of the Community Development Grants Programme is to construct and upgrade facilities to provide long term improvements in social and economic viability of local communities.

1.2. Roles and Responsibilities

The *Process Flowchart* at page three of these Guidelines outlines the roles and responsibilities of each party.

The Approver for the Community Development Grants Programme is the relevant Minister.

For the purposes of these Guidelines, the *funding proponent* means the organisation that will submit the Request for Information form and will have responsibility for delivery of the project, if funded.

2. Eligibility

2.1. Who is eligible for funding?

The Community Development Grants Programme is not a competitive grants programme. Only projects identified by the Australian Government will be considered for funding under the Community Development Grants Programme.

General applications by organisations for projects not identified by the Australian Government will not be accepted by the Department.

Funding proponents must be a legal entity and have an Australian Business Number (ABN) or an Australian Company Number (ACN) to receive funding under the programme.

Projects proposals must be consistent with the intent of the announced commitment. A list of Community Development Grant projects can be found on the Departments website at www.infrastructure.gov.au.

2.2. What is not eligible for funding

Funding will not be provided for ongoing operational and maintenance costs or for existing staff member salaries of the funding proponent organisation.

3. Probity

The Australian Government is committed to ensuring that the process for providing funding under the Community Development Grants Programme is transparent and in accordance with these Guidelines.

Note: These Guidelines may be varied from time-to-time by the Australian Government as the needs of the programme dictate. Amended Guidelines will be published on the Department's website.

3.1. Conflict of interest

A conflict of interest may exist, for example, if a funding proponent or any of its personnel:

- has a relationship (whether professional, commercial or personal) with a party who is able to influence the appraisal process, such as a Department staff member;
- has a relationship with, or interest in, an organisation, which is likely to interfere with or restrict a successful funding proponent 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 as a result of the granting of funding under the Community Development Grants Programme.

Funding proponents will be required to declare as part of their proposal, existing conflicts of interest or that to the best of their knowledge there is no conflict of interest, including in relation to the examples above, that would impact on or prevent them from proceeding with the project or any agreement they may enter into with the Commonwealth of Australia, represented by the Department, if funding were approved under the Community Development Grants Programme.

Where a funding proponent subsequently identifies that an actual, apparent, or potential conflict of interest exists or might arise in relation to their proposal for funding, they must inform the Department in writing immediately.

Further information on Conflict of Interest is provided in the Request for Information form and the Funding Agreement. Departmental officers will manage any conflict of interest on their behalf in line with the department's chief executive instruction on probity.

3.2. Confidential information

Information submitted by the funding proponent may be provided to other organisations for the purposes of eligibility and Request for Information appraisal.

Funding proponents 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 Community Development Grants Programme.

Successful funding proponents must not act or engage in any practice which, if done or engaged in by the Commonwealth, would be a breach of an Information Privacy Principle contained at Section 14 of the *Privacy Act 1988*.

Information submitted by the funding proponent may be the subject of a Freedom of Information (FOI) request. Should the Department receive a FOI request, information provided with a Request for Information will be handled in accordance with the *Freedom of Information Act 1982*.

4. Submitting a proposal

4.1. Request for Information requirements

Proposals must be completed on the official Request for Information form and must address all of the requirements of this form, unless otherwise other arrangements are advised by the Department.

- To assist with the appraisal of a proposal, further information may be requested by the Department. Funding proponents will be notified in writing where this is required.

Projects are expected to be 'tender ready' at the time the Request for Information form is submitted.

- 'Tender ready' means a project has been scoped, costed and planned sufficiently, that the Australian Government is confident the supplier market can be formally approached and the project will not be unnecessarily delayed by known or expected factors.

4.2. Obtaining a Request for Information form

The Department will write to funding proponents of identified projects outlining the process for progressing a request for funding. This correspondence will include web links for the:

- Community Development Grants Programme Guidelines;

- Request for Information; and
- a request to provide relevant supporting information to assist with the assessment.

The Community Development Grants Programme Guidelines and Request for Information form will be available at the Department's website

<http://investment.infrastructure.gov.au/funding/communitydevelopment>.

4.3. When and how to submit a Request for Information form

Funding Proponents will be requested to submit their Request for Information form to the Department within three months of official notification in writing by the Department that a project has been identified for funding consideration.

Requests for additional funding from the Australian Government will not be considered.

Requests to change the scope of the project or to partnership arrangements that do not involve the provision of additional funding by the Australian Government will need to be supported by relevant documentation in order for the Department to undertake an assessment of the request for decision. Further:

- Requests for extension to the determined submittal date, or a change of scope, must be provided to the Department in writing, clearly stating the reasons for delay and revised timeframes for project delivery, prior to the submission close date.
- The Department will make a recommendation to the relevant Minister as to whether a change of scope should be considered, further time should be allowed for the funding proponent to submit project information or that the funding commitment should be withdrawn.

Request for Information may be submitted in the following manner:

- Email to cdg@infrastructure.gov.au;

OR

- In writing to:

Programme Manager
Community Development Grants Programme
Regional Programmes Branch
Department of Infrastructure and Regional Development
111 Alinga Street
CANBERRA ACT 2600

5. Appraisal

5.1. Appraisal process

Based on the information provided in the Request for Information form, the Department will undertake a value with relevant money assessment of proposals against the appraisal criteria outlined below. The assessment will be undertaken by the Department.

The value with relevant money assessment will be appropriate for the value and risk rating of the project. The value with relevant money assessment will include identifying risks to the Australian Government and to the project.

The value with relevant money assessment is intended to analyse projects that have been identified for funding; have met the appraisal criteria; involve reasonable cost having regard to the quality and quantity of deliverables proposed and have a risk profile that is acceptable to the Australian Government, with any identified risks able to be efficiently and effectively managed.

Where the Department believes that it requires independent professional assistance to appropriately assess viability or sustainability, an Independent Viability Assessment may be undertaken.

- The Independent Viability Assessment will be undertaken by an appropriately qualified external consultant engaged by the Department and the findings of the Independent Viability Assessment will be included in the project assessment;
- All information provided in the Project Request for Information may be subject to an Independent Viability Assessment; and
- Funding Proponents will be notified by the Department if it intends to undertake an Independent Viability Assessment on their Request for Information.

5.2. Appraisal criteria

A value with relevant money assessment of applications will be undertaken against the following equally weighted criteria:

- Project benefits;
- Project viability and sustainability; and
- Funding proponent viability.

The Request for Information form requires funding proponents to provide key information to support claims against these criteria.

During the appraisal process, the Department will consider the value and risk rating of the project, including identifying risks to the Australian Government and to the project. The threshold level of the project will then determine the Agreement. The threshold levels and risk assessed are:

Threshold Level	Type of Agreement	Risks considered*
<p>Threshold One - Low Risk / Low Value Projects</p> <p>≤ \$80,000 total project value</p>	<p>Letter of Acceptance</p>	<p>Does the grant involve purchasing or leasing land or buildings?</p> <p>Does the grant involve complex intellectual property rights?</p> <p>Is the grantee located outside Australia?</p> <p>Proponent's grant management history with Commonwealth, state and local governments.</p> <p>Project Scope, that is if the project is a simple or low risk construction project such as planning projects, renovation or upgrades to existing buildings, installation of awnings or shade structures, erecting fences, upgrades to sports ground lighting, sports ground drainage improvements and the purchase and installation of prefabricated shed kits on concrete slabs. These projects are simpler in nature and generally would not involve activities that are defined by Safe Work Australia in its high risk construction definitions such as working at heights or underwater or working with asbestos.</p> <p>It could also be a procurement only project.</p>
<p>Threshold Two – Low Risk / Medium Value Projects</p> <p><i>Local, State and Territory Governments</i></p> <p>> \$80,000 ≤ \$1,500,000 total project value</p> <p><i>Entities other than Local, State and Territory Governments</i></p> <p>> \$80,000 ≤ \$1,000,000 total project value</p> <p><i>Low Risk / Higher Value</i></p>	<p>Short Form Funding Agreement</p>	<p>Does the grant involve purchasing or leasing land or buildings?</p> <p>Does the grant involve complex intellectual property rights?</p> <p>Is the grantee located outside Australia?</p> <p>Proponent's grant management history with Commonwealth, state and local governments.</p> <p>Completion of the Risk Tool which can be found at < https://www.finance.gov.au/resource-management/grants/grant-agreement-template/>.</p> <p>Project Scope, that is the project is more complex or higher risk than the low risk project as described in threshold one and may include a new small building or larger multi-room extensions or upgrades of existing buildings.</p>

Threshold Level	Type of Agreement	Risks considered*
<p>Threshold Three – All Other Projects</p> <p><i>Local, State and Territory Governments</i></p> <p>> \$1,500,000 total project value</p> <p><i>Entities other than Local, State and Territory Governments</i></p> <p>> \$1,000,000 total project value</p> <p><i>Medium - High Risk / Higher Value Threshold 1 and 2 projects</i></p>	Long Form Funding Agreement	All projects that don't meet the requirements of Thresholds One and Two are automatically Threshold Three projects.

* Any risks specific to a project will be notified to the proponent in the advice to the proponent of a funding decision.

Funding proponents should refer to the Department's website <www.infrastructure.gov.au> for a full description of key information and instructions for completing the Request for Information form or request further information by email to <cdg@infrastructure.gov.au>.

5.2.1. Project Benefits

An assessment against this appraisal criterion is intended to determine whether a project will contribute to the Outcome of the Community Development Grants Programme.

Key considerations will include, but may not be limited to:

- Does the project align with the Outcome of the Community Development Grants Programme;
- What information is required to measure whether a project has contributed to the Community Development Grants Programme Outcome and is the funding proponent able to collect this information.

5.2.2. Project viability and sustainability

An assessment against this appraisal criterion is intended to identify and consider the complexity of the project, risks associated with its delivery and ongoing management and the capability of the funding proponent to deliver and maintain the project.

Key considerations will include, but may not be limited to:

- how rigorously the project has been scoped and costed by the funding proponent;
- how the funding proponent plans to secure partnership funding (both in-kind and cash) for the project, where required;
- how rigorously the funding proponent has assessed delivery risks and treatments for these risks;

- how the funding proponent aims to maintain the project in the future.

5.2.3. Funding proponent viability

An assessment against this appraisal criterion will be appropriate for the value of the project and the risk rating. Assessment is intended to establish the financial stability of the funding proponent and their capacity to meet costs associated with the delivery of the project.

The assessment will include for higher value/higher risk projects the ability of a funding proponent to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth.

Key considerations may include:

- what is the funding proponent's level of liquidity (its ability to pay its debts when they fall due) and solvency (does it have enough assets to cover liabilities);
- what is the quality of the funding proponent's financial governance (policies and procedures to ensure that financial information is complete and accurate and this information is being used for decision-making);
- what is the funding proponent's ability to secure partner funding to meet the cost of the project, where required; and
- the funding proponent's history in managing grant funding from governments

6. Decisions

6.1. Approval of funding

Following an appraisal of the funding proposal, a recommendation on funding will be provided to the Approver.

The Approver will consider whether the proposal will make proper use of Commonwealth resources, as required by Commonwealth legislation, and whether any specific requirements will be imposed as a condition of funding, should funding be approved.

Funding approval is at the discretion of the Approver.

6.2. Advice to the Applicant

Funding proponents will be advised in writing of the funding decision.

Timelines for approval and notification will be dependent upon funding proponents providing sufficient project information for an assessment to be completed.

Letters to successful funding proponents will contain details of any specific conditions attached to the funding, including risks.

7. Conditions of Funding

7.1. Contractual arrangements

Successful funding proponents will be required to enter into a formal Agreement with the Commonwealth of Australia within four weeks of receiving advice of a successful funding decision, represented by the Department, that establishes the obligation of both parties.

The Agreement will be commensurate with the value and risk rating of the project.

It is recommended that funding proponents familiarise themselves with the conditions of the agreement relevant to them, or consider seeking independent advice on the implications of agreement conditions and their capacity to meet these conditions if funding is approved.

7.1.1. Agreements

The Agreement relevant to the funding proponent is a legally enforceable document and action may be taken under the law where an obligation is not met.

A template of the standard Agreements are available on the Department's website at www.infrastructure.gov.au.

The Department will work with successful funding proponents with the aim of having Agreements signed within four weeks of funding approval.

Funding proponents should not make financial commitments based on approval of funding until the Agreement has been executed.

Financial commitments dependent on the Australian Government funding which are entered into before a Funding Agreement has been finalised with the Department, are done so at the risk of the funding proponent.

7.2. Compliance with the Building Code 2013 and Australian Government Building and Construction WHS Accreditation Scheme

Project funding specifically relating to building and construction activity, as defined in the *Fair Work (Building Industry) Act 2012* and subject to any threshold requirements, must comply with the Building Code 2013¹ (Building Code) and the Australian Government Building and Construction WHS Accreditation Scheme² (WHS Scheme). Where the Building Code or WHS Accreditation Scheme applies, construction activity must be undertaken by an accredited builder as specified under the Building Code and WHS Accreditation Scheme.

7.2.1. Building Code

The Building Code is administered by relevant state and territory administrations under relevant state or territory legislation on behalf of the Fair Work Building and Construction at <https://www.fwbc.gov.au/>.

¹ The Building Code 2013 can be found at <http://www.fwbc.gov.au/building-code>.

² The Australian Government Building and Construction OHS Accreditation Scheme can be found at <http://www.fsc.gov.au/sites/fsc/needaccredited/accreditationscheme/pages/theaccreditationscheme>.

The relevant Building Code thresholds for indirectly funded projects (based on the total project value) are Australian Government funding of:

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

7.2.2. WHS Scheme

The WHS Scheme is administered by the Office of the Federal Safety Commissioner at <http://www.fsc.gov.au/sites/FSC>.

The relevant WHS Scheme thresholds for indirectly funded projects (based on the total project value) are Australian Government funding of:

- at least \$6 million representing at least 50 per cent of the total project value; or
- \$10 million or more, irrespective of the proportion of the total project value met by Australian Government funding.

If a project meets the above thresholds the requirement that accredited builders carry out the building work only applies to head contracts for building work valued at \$4 million or more.

7.3. Specific conditions

There may be specific conditions attached to the funding approval as a result of the appraisal process or further considerations by the Approver. These will be identified in the offer of funding or during Agreement negotiations.

7.4. Reporting and acquittal

Successful funding proponents will be required to report on the progress of the project and acquit the expenditure of Community Development Grants Programme funding at the times and in the manner stipulated in the Agreements.

7.5. Monitoring

Successful funding proponents will be required to actively manage the delivery of the project. The Department will monitor progress against the Agreement through progress reports submitted by the funding proponent and site visits conducted by the Department or representatives of the Department.

7.6. Branding and Recognition

Successful funding proponents will be required to comply with a range of branding and recognition requirements. These requirements are clearly identified in the Agreement and guidance is provided on the Department's website <http://investment.infrastructure.gov.au/publications/administration/>.

7.7. Evaluation

Evaluations by the Department will determine the extent to which the granting activity is contributing to the Outcomes of the Community Development Grants Programme. Funding proponents will be required to provide information to assist with evaluations for a period of time.

The Department will work with successful funding proponents to determine the information required to undertake an evaluation. The nature of information required will be determined with consideration to the complexity and purpose of the project to be funded. Details will be included in the Agreement.

8. Payment of Funding

8.1. Payment arrangements

Payments will be made on achievement of agreed milestones.

Before any payment can be made, funding proponents will be required to provide:

- a tax invoice for the amount (GST exclusive) of the payment; and
- a satisfactory progress report and supporting documentation providing evidence of meeting the requirements for payment.

8.2. GST and Tax implications

It is recommended that funding proponents consider seeking guidance about the implications for receiving Community Development Grants Programme funding from a tax advisor or the Australian Taxation Office <www.ato.gov.au> prior to submitting a Request for Information form.

In accordance with the terms of Australian Taxation Office ruling GSTR 2012/2, payments made by a government related entity to another government related entity do not attract GST. Payments to other entities are expected to attract GST.

9. Enquiries

Any enquires relating to aspects of the Community Development Grants Programme, including processes for its delivery, complaints and feedback on funding decisions, should be directed to:

Programme Manager
Community Development Grants Programme
Department of Infrastructure and Regional Development
GPO Box 594
CANBERRA ACT 2601

and should be emailed to cdg@infrastructure.gov.au

The Department will endeavour to ensure enquiries are resolved promptly, fairly and confidentially.