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# Royalties for Regions

## South West Regional Grants Scheme

### Guidelines for Applicants

**Closing date: 10 February 2010**

#### **OBJECTIVES OF THE SCHEME**

The primary objective of this Scheme is to improve economic and community infrastructure and services in the South West Region through funding projects that will assist in attracting investment and increasing jobs or help to improve the quality of life in the region.

Funding is available to assist the development of infrastructure, services and community projects, including the provision of headworks, and to assist in the broad development of the community, including the establishment of services and programs. Funding is intended to support the development of resilient communities and contribute to regional areas being vibrant and interesting places in which to live.

The Scheme is administered by the South West Development Commission as part of the Royalties for Regions Program. Royalties for Regions is a State Government program designed to promote long-term development in Western Australia's regions. It aims to help local communities grow and prosper through the promotion of local decision-making and is specifically designed to help regions attract the resources needed to support development. The Scheme's broad objectives are to:

1. Increase capacity for local strategic planning and decision-making.
2. Retain and build the benefits of regional communities.
3. Promote relevant and accessible local services.
4. Assist communities to plan for a sustainable economic and social future.
5. Enable communities to expand social and economic opportunities.
6. Assist regional communities to prosper through increased employment opportunities, business and industry development opportunities, and improved local services.

## **WHO CAN APPLY**

The Scheme is targeted at providing financial assistance to regionally based organisations. Eligible applicants may include local governments, voluntary organisations, business groups, educational institutions, philanthropic foundations and community organisations.

State and Federal Government agencies may apply, but projects deemed to be within their core business functions will not be supported.

Organisations outside the region are invited to apply, but will need to demonstrate significant, sustainable regional benefits and a commitment to local decision-making and planning.

The Scheme is not intended to provide support to individuals or individual businesses unless it can be shown that a significant benefit will accrue to the broader community or industry sector. Private businesses may apply for assistance for headworks where it is critical to the business and it can be clearly demonstrated that new jobs will be created.

Preference will be given to projects that can demonstrate that a grant from this Scheme will lever funds from other sources.

All voluntary and community groups applying for funding must be incorporated or have equivalent status.

## **ELIGIBILITY CRITERIA FOR ACCESS TO THE SCHEME**

1. The project must demonstrate that it will result in a positive economic, social and/or environmental return (e.g. employment growth, population increase, improve education and information technology links, improve facilities) to the South West Region.
2. The project must fit within the framework of the South West Development Commission's Strategic Plan (available on the Commission's website) or other nominated regional planning documents.
3. Applicants should demonstrate a high level of financial commitment to the project, either through sourcing other project funding and/or a direct financial contribution.
4. The project should have the support of local government/s and/or other key regional stakeholders.
5. The project should promote partnerships (i.e. between the community/business sector and government; or across various levels of government).
6. The project should reflect a commitment to local decision-making and planning.
7. The project should demonstrate its capacity for meeting ongoing operating and maintenance costs.
8. The proponent should demonstrate that detailed project planning has been completed (including all approvals being in place or achievable in a short timeframe), the project is ready to proceed and that it can be completed in a timely manner. (Note: This criterion will not preclude applications for feasibility studies and business planning.)

## **PRIORITIES**

Consideration will be given to all proposals that will meet the objectives of Royalties for Regions.

Priority will be given to projects that fit within the framework of the South West Development Commission's Strategic Plan.

The key priorities of the Plan are:

- Investing in people,
- Investing in infrastructure and place, and
- Investing in knowledge, enterprise and innovation.

## **THE TYPE OF SUPPORT AVAILABLE**

A total of \$3.5 million has been allocated to this Scheme for the year 2009/10.

- **Contestable Grants Program**

The current round of contestable funding for the period ending 30 June 2010 will open on 20 October 2009 and close at 4.30 p.m. on Wednesday, 10 February 2010.

Further funding rounds will be made available in subsequent financial years. The provision of financial assistance under this Scheme is dependent on the availability of funds.

The Scheme provides grants for infrastructure projects, project development activities, non-capital projects such as community development activities, establishment of new services and increasing access to information.

Grant funding is also available to assist with costs associated with headworks undertaken by essential service providers to connect businesses to water, electricity, gas, telecommunications, drainage and sewerage. Applicants seeking headworks assistance are referred to **Attachment A** which outlines the additional requirements for this component of the Scheme.

Generally, large grants will be paid progressively by instalments based on the achievement of agreed milestones, unless the applicant can demonstrate that the project is unable to proceed without an upfront grant payment or explain satisfactorily why funds are required before a milestone is achieved or the project is complete.

Progressive payments will be made, subject to the applicant providing the Commission with:

- sufficient information (including a written report) on the agreed milestone to indicate that the project is progressing satisfactorily; and
- a statement of income and expenditure for the project, to the date of the progressive payment claim, signed by the applicant's Chief Executive Officer or equivalent position. The statement should include details of eligible project expenditure compared to budget.

An initial partial payment of grant funds may be made to the applicant on signing of a grant agreement.

All projects must be approved and grant agreements signed prior to commencement to be eligible for a financial contribution. No retrospective payments will be made.

The following items of expenditure are not eligible:

- Recurrent costs once the project is completed.
- Ongoing staff salaries. Employment of personnel will only be considered for a project with specific outcomes achievable within the funding provided.

## **INFORMATION REQUIRED FOR ASSESSMENT**

### GUIDE FOR COMPLETION OF APPLICATION FORM

**(This information directly corresponds to the information required on the application form which can be downloaded from [www.swdc.wa.gov.au](http://www.swdc.wa.gov.au))**

1. **Organisation details** – This information is required to enable us to process your application and to have the correct contact details should further information be required. Please attach a copy of your Incorporation Certificate if applicable.
2. **General project information** – We need to know some basic information about your project. Please complete the details as requested.
3. **Brief project description** – What do you want to do? Include aims and objectives. Restrict your response to the space provided on the application form (no more than 200 words).
4. **Funding priority, objective and category** – Indicate which funding priority your project is **most** able to address (**tick one box only**); which Royalties for Regions objective is **most** applicable to your project (**tick one box only**); and which category of funding is **most** applicable to your project (**tick one box only**).
5. **Eligibility criteria** – You must address each one of the criteria in full as failure to do so may result in your application not being competitive. Additional supporting material such as business plans, feasibility studies etc may be requested during the assessment process.
  - 5.1 **Positive outcomes** –
    - (a) **Deliverables:** Specify what the project will deliver (in tangible terms).
    - (b) **Benefits:** Demonstrate in detailed terms how the project will result in a positive net economic, social and/or environmental return (e.g. employment growth, population increase, improve education or health outcomes, improve facilities) to the South West Region.

Headworks applicants – See **Attachment A** for additional requirements.

- 5.2 Your project in a regional context** – Your project must link strongly with:
- (a) the **South West Development Commission’s Strategic Plan**. You must identify which priority your project is able to meet and give details on how the project fits within the nominated strategic priority. Copies of the Strategic Plan are available from the South West Development Commission or on the Commission’s website – [www.swdc.wa.gov.au](http://www.swdc.wa.gov.au), or
  - (b) other **nominated regional planning documents**. You must provide the name of each document and indicate how the project is relevant to the document and its intended outcomes.
- 5.3 Commitment to the project** – Applicants should demonstrate a high level of financial commitment to the project through sourcing other project funding and/or a direct financial contribution to the project. If your project is unable to source supporting funds this should be clearly explained.
- Headworks applicants – See **Attachment A** for additional requirements.
- 5.4 Letters of support** – Your project should have the support of your local government/s, key regional stakeholders and/or other organisations benefiting from, or contributing to, the project. List your letters of support in the space provided and attach copies at the back of your completed application form. **The letters of support must be current to this funding round and relevant to the specific project for which funding is sought.** For e-mailed submissions – please attach electronic letters of support with your application or submit by post noting the project name of your application.
- 5.5 Promote partnerships** – Give details of the partnerships that your project will promote such as between the community/business sector and government; or across various levels of government.
- 5.6 Commitment to local decision-making and planning** – Explain how you have involved your local government/s, the local community or others in planning and making decisions for your project.
- 5.7 Ongoing operating and maintenance costs** – Give details of your project’s ongoing and maintenance costs and how they will be funded. A business case is required for all projects seeking a SWRGS grant of \$150,000 or more. If you are required to provide a business case please give only a brief outline in Section 5.7. See **Attachment B** which outlines the additional requirements for a business case.
- 5.8 Project ready** – Applicants should demonstrate that the project is ready to proceed, detailed planning has been undertaken, all required approvals are in place or achievable in a short timeframe and the project can be completed in a timely manner. Indicate if you are waiting for funding from other sources, and the due date for confirmation, or otherwise, of that funding.

**6. Project budget –**

- 6.1** Give **details of the total project budget**. Include details of your budget expenditure for the funds required from the South West Regional Grants Scheme, using categories appropriate to your individual project; and include financial and non-financial contributions from all parties. It is important that this information is clearly explained.
- 6.2** Give details of **all of your funding sources**. Identify where the funding is coming from, what it will be used for, and if it is approved or requested. If it is requested but not yet approved provide details of when a decision is expected. Specify funding from any **other Royalties for Regions funding sources**.
- 6.3** Include the amount for **an independent audit** if required. An independent audit will be required for funding allocations over \$20,000. See Conditions and Obligations below for full details.
- 6.4** You may attach **documents that support the budget estimate** such as copies of quotations/estimates for any feasibility studies, business and marketing plans, marketing research, economic impact studies etc.
- 6.5** **A business case** is required for all projects seeking a SWRGS grant of \$150,000 or more. See **Attachment B** which outlines the additional requirements for a business case.

**7. Project time line –** Give details of the proposed time line, key milestones and allocation of SWRGS funding for your project. Please respond in the space provided.

**8. Project planning and management experience –**

- 8.1** **Demonstrate your previous planning and management experience and expertise** (including financial skills, and governance and accountability processes) in managing projects of this type. **Provide details, qualifications and/or experience of key personnel involved in managing the project**. If a committee manages your organisation, give details of the experience of the key people involved such as Chairperson, Treasurer and committee members.
- 8.2** **In-kind support**. Applicants need to give details as to how any in-kind contributions have been calculated and will be acquitted (i.e. voluntary labour time = number hours by hourly rate). In general, voluntary labour time is calculated at \$15 per hour. Any specialised labour should be calculated at the current rate applicable to the particular trade/industry. Timesheets should be maintained to assist you when it comes time for you to acquit the grant. This will help to demonstrate to the Commission that you have used the funds granted for your originally stated purpose.

- 8.3 Previous government support (if applicable).** Applicants need to give details of previous government grants received within the last three years for similar or related projects. Include which agency, the amount of money received and when it was received, including funds from the South West Development Commission.
- 9. Tax information** – For GST-registered grant applicants and for applicants not registered for GST.
- 10. Declaration** – To be signed by the Chief Executive Officer/Chairperson or equivalent. Please note: If submitting your application by e-mail and if an electronic signature cannot be inserted, please ensure that the covering e-mail verifies that the CEO/Chairperson has authorised the grant application.
- 11. Application checklist** – Please tick all boxes in this section to signify that the application form has been completed.

The Commission reserves the right to request more information to clarify aspects of the application. Applications that do not include the required information as described may not be competitive.

### **CLOSING DATE FOR APPLICATIONS**

The South West Development Commission must receive applications by 4.30 p.m. on Wednesday, 10 February 2010.

Completed applications are to be forwarded to:

**Chief Executive Officer  
South West Development Commission  
PO Box 2000  
BUNBURY WA 6231**

**or**

**9<sup>th</sup> Floor, Bunbury Tower  
61 Victoria Street  
BUNBURY WA 6230**

**or**

**E-mail: [royaltiesforregions@swdc.wa.gov.au](mailto:royaltiesforregions@swdc.wa.gov.au)**

## **THE DECISION MAKING PROCESS**

Each application will be assessed against the Scheme's criteria by a panel under the auspices of the South West Development Commission and submitted to the Commission's Chairman for recommendation to the Commission Board.

### **Contestable Grants Program**

The Commission Board will approve:

1. Applications up to and including \$250,000 to be assessed and approved by the Commission Board.
2. Applications in excess of \$250,000 and up to and including \$500,000 will be assessed and approved by the Commission Board and referred to the Minister for Regional Development for endorsement.
3. Applications in excess of \$500,000 will be assessed by the Commission Board and referred to the Minister for Regional Development for approval.
4. All approvals will be referred to Cabinet for endorsement.

## **CONDITIONS AND OBLIGATIONS THAT APPLY TO SUCCESSFUL APPLICANTS**

Before receiving funds, successful applicants are required to sign a grant agreement which will outline the conditions of the grant. The grant agreement must be signed and returned to the South West Development Commission within sixty (60) days of the date of issue. As a condition of funding, all grant recipients are required to provide detailed acquittals to the South West Development Commission within thirty (30) days for grants of \$20,000 or less and twelve (12) weeks for grants greater than \$20,000 at the conclusion of the project.

This report must include:

### **For grants of \$20,000 or less:**

- Details on how the funds were expended, including a statement of income and expenditure for the project, signed by the Chief Executive Officer/Chairperson (or equivalent) of the recipient organisation that show the grant was expended in accordance with the South West Regional Grants Scheme application and has been used for the purpose for which it was provided;
- An evaluation report outlining the effectiveness of the project against the set outcomes as set out in the grant agreement is required; and
- The Commission may require an audited statement. (If so, the Commission will include provision for the audit in your grant.)

### **For grants over \$20,000:**

- Details on how the funds were expended, including an audited financial statement of income and expenditure for the project (prepared by a qualified independent auditor and signed by him/her), signed by the Chief Executive Officer (or equivalent) of the recipient organisation, that show the grant was expended in accordance with the South West Regional Grants Scheme application and has been used for the purpose for which it was provided; and

- An evaluation report outlining the effectiveness of the project against the set outcomes as set out in the grant agreement is required.

The cost of the audit must be included in the funding application (see Section 6 on page 8 or 9 of the application form).

As part of the grant agreement, recipients must provide public recognition of State Government funding and ensure that acknowledgement is given to the State Government and the South West Development Commission in all promotional material. The recognition should note that funding has been provided under the Royalties for Regions Program.

If the project is likely to extend beyond 12 months, successful applicants must provide the Commission with a current status report on the project 12 months after funding is paid.

Equipment purchased with grant funding must not be disposed of within three (3) years of the date of the grant agreement without the written agreement of the Commission.

Any monies from the grant not spent for the purpose for which it was provided must be refunded to the Commission.

## **TAX INFORMATION FOR APPLICANTS**

The South West Development Commission is registered for GST and has been issued with Australian Business Number (ABN) 23 250 505 809. The Commission regards grants under this scheme as payment for a supply. GST-registered grant recipients will therefore be liable for GST in connection with the grant.

**For GST-registered grant applicants** the Commission will increase the grant by the amount of GST payable. GST-registered grant applicants must provide the Commission with a tax invoice for the GST inclusive value of the grant. Payment will not be made until the Commission receives a tax invoice. The applicant acknowledges that the grant provided is consideration for a supply to the Commission and that the GST component will be included in the applicant's next Business Activity Statement lodged with the Australian Taxation Office.

**For applicants not registered for GST** the Commission will *not* include GST. Nor will it reimburse an unregistered grantee for GST paid or payable to a third party. Unregistered grant applicants must provide the Commission with an invoice for the amount of the grant.

## **FREEDOM OF INFORMATION ACT AND PRIVACY**

Applicants are informed that the Commission is subject to the WA Freedom of Information Act, which provides a general right of access to records held by State and local government agencies.

Applicants are advised that information pertaining to the receipt of State Government financial assistance will be tabled in the Western Australian Parliament. This information could include the name of recipients, the amount of the assistance, the name of the project/activity and, possibly, a brief description thereof. This could result in requests for more detail to be released publicly.

Following the announcement of the successful applications, applicants should also be aware that their organisation's name, the name of the project/activity and the amount requested will appear on the Commission's website even if the application has been unsuccessful.

The Commission reserves the right to discuss an application with a third party if it is necessary to assist in assessing the application.

## **DISABILITY ACCESS AND INCLUSION PLAN**

If the application is successful and involves the supply of services to the public, then the grant recipient will be required to:

- Implement, to the extent practicable, the South West Development Commission's Disability Access and Inclusion Plan prepared under the *Disability Services Act 1993*; and
- Provide a report to the Commission on acquittal of the grant agreement on the extent to which the grant recipient has implemented the South West Development Commission's Disability Access and Inclusion Plan.

## **CONTACT DETAILS FOR REGIONAL GRANTS SCHEME**

### **SOUTH WEST DEVELOPMENT COMMISSION**

Website: [www.swdc.wa.gov.au](http://www.swdc.wa.gov.au)  
E-mail: [royaltiesforregions@swdc.wa.gov.au](mailto:royaltiesforregions@swdc.wa.gov.au)  
Phone: (08) 9792 2000

9<sup>th</sup> Floor, Bunbury Tower  
61 Victoria Street  
BUNBURY WA 6230

PO BOX 2000, BUNBURY WA 6231

Contact our staff if you require assistance:

Richard Oades (Shires of Collie, Donnybrook-Balingup and Capel)  
Phone: 9734 2322  
Mobile: 0427 388 645  
Email: [richard.oades@swdc.wa.gov.au](mailto:richard.oades@swdc.wa.gov.au)

Alan Cross (City of Bunbury, Shires of Harvey and Dardanup)  
Phone: 9792 2000  
Mobile: 0428 577 298  
Email: [alan.cross@swdc.wa.gov.au](mailto:alan.cross@swdc.wa.gov.au)

Jane Manning (Shires of Busselton and Augusta-Margaret River)  
Mobile: 0427 997 543  
Email: [jane.manning@swdc.wa.gov.au](mailto:jane.manning@swdc.wa.gov.au)

Deanna Giumelli (Shires of Nannup, Manjimup, Bridgetown-Greenbushes and Boyup Brook)  
Phone: 9777 4888  
Mobile: 0408 903 263  
Email: [deanna.giumelli@swdc.wa.gov.au](mailto:deanna.giumelli@swdc.wa.gov.au)

## HEADWORKS GUIDELINES

### WHO CAN APPLY

The South West Regional Grants Scheme (SWRGS) provides financial assistance to organisations to undertake small to medium commercial or industrial projects in regional Western Australia.

Eligible applicants include individual businesses, business groups, local governments, and community and not-for-profit organisations. State and Federal Government agencies are not eligible for assistance for headworks.

Non-regional businesses and organisations may be eligible for funding where a project is carried out within the South West Region and meets all the Scheme's eligibility criteria and the additional requirements outlined on page 12.

### WHAT CAN BE FUNDED

The Scheme provides grants to offset costs incurred in the provision of essential services (headworks) to small to medium commercial or industrial projects that will assist in attracting investment and increasing jobs in regional areas. Projects which provide community benefits, such as housing for independent seniors or increased participation in physical activity may also be funded. Categories of projects which may be considered for funding through the Scheme include:

- Expansion of existing regional businesses;
- Development of new commercial and industrial enterprises;
- Industry development such as industrial parks, research facilities;
- Tourism development such as interpretive and discovery centres;
- Accommodation facilities including seniors and community care accommodation;
- Development of arts or sports centres.

This list is not exhaustive and should only be used as a guide.

### Definition of Headworks

For the purpose of this Scheme, headworks is defined as follows: Work designated as headworks by essential service providers such as water, power, gas and telecommunications utilities, or local governments, which is undertaken by those organisations to provide service connection to the boundary of a property.

In circumstances where work that would normally be undertaken by an essential service provider is carried out by a contractor nominated by the essential service provider, the work will be considered as eligible for assistance.

In addition, funding assistance for "on site" wastewater treatment systems may be considered in instances where the connection to mains sewerage system is not an available option.

**Applicants are strongly advised to contact the Commission to determine whether the headworks component of their project is eligible for funding assistance under this Scheme.**

## WHAT CANNOT BE FUNDED

The following categories of projects are not eligible:

- Residential developments.
- Property development incorporating the subdivision of land for sale to private individuals for the purpose of constructing holiday homes or other non-commercial entities.
- Requests for retrospective funding, where projects have been completed or have commenced prior to receiving SWRGS funding approval. This includes the signing of a contract for work that is subject to SWRGS funding.

## ELIGIBILITY CRITERIA FOR ACCESS TO THE SCHEME

Proponents of small to medium commercial or industrial projects are eligible to apply for grant funding if the project meets the criteria of the Scheme together with the following additional requirements. When completing the application form, headworks applicants must also include the following information:

Criterion 5.1:

- Applicants must specify if the project is the creation of or support for a new industry or commercial activity in the region, or a substantial expansion of existing regional industry or commerce. Alternatively, the project should demonstrate how it will contribute to positive social or environmental outcomes.
- Applicants must demonstrate the project could not proceed in an acceptable form without assistance through the Scheme.
- Applicants should demonstrate that the project would not result in unfair competition to existing industry and/or businesses.

Criterion 5.3:

- Within this criterion applicants must also specifically demonstrate the project is viable and sustainable if SWRGS funding is provided.
- **Note:** Full funding of projects is generally not available through the SWRGS. Preference will be given to applicants that can demonstrate a matching contribution.

## APPLICATION PROCESS

Applicants must satisfy all of the Scheme's criteria as a minimum including the additional requirements for headworks applicants indicated above. Written submissions should be made on the SWRGS application form and should include:

- Financial documentation including business plan, feasibility study, financial history for the past three years and projections demonstrating the project's long-term viability. (Additional documents may be attached.)
- Details of previous Government (Federal or State) support provided to the applicant organisation within the last three years for similar projects.

Applicants are encouraged to discuss their project and the application process with the Commission.

## TYPE OF SUPPORT AVAILABLE AND PAYMENT OPTIONS

Generally, grant requests for less than \$5,000 (GST exclusive) will not be accepted. The maximum grant available per project will be \$200,000 (GST exclusive). Amounts greater than \$200,000 may be considered if a project demonstrates exceptional merit. Financial assistance provided under this Scheme is dependent on the availability of funds.

Applicants will be required to contribute an appropriate level of equity funding to the project as noted in Scheme's Criterion 5.3.

Payments may be made as:

- a reimbursement on provision by the grant recipient of receipts for completed work; or
- on provision of a current quote for work to be undertaken.

**BUSINESS CASE GUIDELINES**  
**For projects seeking a grant of \$150,000 or more**

The additional business case information must be presented as an attachment to your application. It must be at a level of detail that is appropriate to the nature of the proposal to enable sound judgement to be made on its merits, and to determine whether the proposal is to be supported. The following is a guide on points to include over and above the information you have provided in the application form:

**Statement of Need**

- Why is the project needed – provide evidence of need and how it was determined (e.g. demonstration of research by an appropriately qualified person/agency).
- Provide evidence of the current and projected demand for products and services.
- Give reasons why the project is needed now.
- What are the consequences of the project not proceeding?
- Who will benefit from the project (target population) and how (benefits)?

**Consideration and Selection of Preferred Options**

- What options have been considered to address the need?
- Why is this project the best option to meet the need?

**Project Budget and Budgetary Implications**

- Provide a project budget, including a forecast of operating income and expenditure.
- How will the project be funded – include capital and recurrent – salaries, consumables, maintenance, ongoing support?
- How will any changes in recurrent costs during and after implementation be handled?
- What are the budget implications if other sources of funds are not yet approved, i.e. how will they be acquired?

**Procurement Planning**

- Provide evidence that costings and relevant plans have been developed by an appropriately qualified person/agency.
- Demonstrate that the project can be delivered within the timeframe and budget provided.
- Describe proposed implementation strategy –
  - How will the project be implemented?
  - List milestones and key dates.
  - What if any changes are required to working practices?

**Financial Risk**

- Identify known or potential risks.
- What is the likelihood of the risks occurring and how they will be managed?
- Identify annual capital and operating costs over the life of the project:
  - Identify total cost of ownership.
  - Provide a budget including salaries, equipment, maintenance, consumables.
  - Identify potential revenue.
  - Identify savings and how savings will be used.

**Socio-Economic Evaluation**

- Summarise benefits and costs and why benefits outweigh the costs.
- Identify quantifiable impacts on industry, community and economy.
- Identify and estimate direct distribution of benefits.
- Identify broader social implications and distribution of benefits.