

Residential Activation Fund

Frequently asked questions

These frequently asked questions provide additional detail and explanatory information about elements of the Residential Activation Fund (the Fund) and should be read in conjunction with the Round 2 Program Guidelines.

These FAQs may be updated with additional information and new questions as required.

Question	
1.	<p>How is Round 2 different from Round 1?</p> <p>Round 2 continues to support the delivery of critical Trunk and/or Essential infrastructure required to activate both infill and greenfield residential housing developments across Queensland.</p> <p>Key differences are:</p> <ul style="list-style-type: none"> • Non-SEQ Local Governments with approved Round 1 Specific Infrastructure Planning Projects will be given priority for construction project funding under Round 2, subject to satisfying relevant eligibility criteria. • The definition of Development Approval has been expanded to include preliminary approval for a residential development (refer to the Glossary in the Program Guidelines). • The contingency for construction projects has been reduced to 20% of the Estimated Total Project Cost. The Fund will only contribute a contingency amount to eligible project costs. Applicant or third-party contributors are responsible for contingency amounts associated with Ineligible Project Costs (refer to section 3.5 Project funding in the Program Guidelines). • The definition of Trunk and Essential infrastructure has been revised to make it clearer what is meant by Trunk infrastructure and Essential Infrastructure (refer to the Glossary in the Program Guidelines). • Construction projects must commence within 12 months of successful announcement of the project, rather than within 12 months of a fully executed funding agreement.
2.	<p>What can be included in the Project scope of works?</p> <p>The Project scope identified in the Application must be limited to works and costs to deliver the Trunk and/or Essential infrastructure required to enable the associated residential housing development.</p> <p>The Project scope of works and Project expenditure breakdown detailed in the Application should not include any activities, or costs for activities, that have been undertaken prior to submitting the Application.</p>

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	<p>As such, the Project should include only relevant activities that have not yet been commenced and are required to deliver the Trunk and/or Essential Infrastructure works. Such activities may include tendering, materials procurement, construction, and commissioning.</p> <p>Projects must exclude all works and costs associated with the internal subdivision of lots, preparation of residential lots for sale, and/or construction of residential dwellings.</p>
3.	<p>How do I apply?</p> <p>Read the Residential Activation Fund Round 2 Program Guidelines.</p> <p>Applications must be submitted through the Department of State Development, Infrastructure and Planning’s online SmartyGrants portal.</p> <p>Applicants should complete the online application form, attach all required documentation and evidence, and check application details thoroughly before submitting prior to the advised closing date.</p> <p>A link to the SmartyGrants online portal will be provided on the Fund website when applications open.</p>
4.	<p>What are the timeframes for delivering approved projects?</p> <p>Construction Projects must:</p> <ul style="list-style-type: none"> • commence within 12 months of announcement of the successful project • be completed within 3 years of announcement of the successful project <p>Announcement of successful Round 2 construction Projects are not anticipated to occur prior to July 2026. Applications should therefore demonstrate that Projects will be able to commence construction within 12 months of this date. In the event of an Application being successful, the construction dates that will apply to the Project will reflect the actual announcement date.</p> <p>In addition, Applicants should not plan to commence Project works prior to execution of a funding agreement with the State. The Program Guidelines specify that Ineligible Project Costs include, “Costs incurred prior to the project start date identified in the signed Project Funding Agreement, including any otherwise eligible project costs.”</p> <p>As such it is recommended that the scheduling of works include a buffer period to allow for announcement and negotiation of the funding agreement.</p> <p>Specific Infrastructure Planning Projects must commence within 3 months of a funding agreement being executed with the State. Funding agreements for these projects are expected to be able to be executed within 1 month of the Local Government being notified an application has been successful.</p>
5.	<p>Is there a limit to the amount of funding available per project?</p> <p>There are no upper or lower limits on the amount of funding that may be applied for per project.</p>

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6.	<p>Is a financial co-contribution required?</p> <p>Financial co-contributions are not mandatory, however, applications with confirmed financial co-contributions will be assessed more favourably.</p> <p>Co-contributions can be made by the Applicant or a third-party contributor, e.g. Commonwealth Government, consortium members, etc.</p>
7.	<p>Can I apply if work on a residential housing development has commenced?</p> <p>Funding for Trunk and/or Essential Infrastructure under RAF is available to unlock land supply for residential development. As such, the related residential housing development must be new OR represent a new stage of the development that cannot proceed without the Trunk and/or Essential Infrastructure.</p> <p>Trunk and/or Essential infrastructure projects are not eligible for funding where:</p> <ul style="list-style-type: none"> • Project works have commenced or been completed at the time of submission of the Application • Project works are planned to commence prior to a project funding agreement being executed with the State.
8.	<p>Can I apply for funding to construct my successful Round 1 Specific Infrastructure Planning Project (SIPP)?</p> <p>Yes, successful Round 1 SIPPs will be prioritised for construction funding in Round 2.</p> <p>However, the Round 1 SIPPs must be substantially complete and be able to satisfy all relevant eligibility criteria including the provision of detailed designs and Round 2 construction timeframes.</p>
9.	<p>Does evidence of Project costings need to be provided with the Application?</p> <p>Assessment of Applications will consider the age and method of determining Project costings.</p> <p>For Local Government applicants, costings should have been prepared within the two years prior to submission of the Application.</p> <p>For Developer/Landowner applicants, costings should have been prepared within the 12 months prior to submission of the Application 12 months for applications being submitted by eligible developers and landowners.</p> <p>Costing information included in Applications should be supported with evidence demonstrating how the costs were determined, such as a Quantity Surveyor report, quotes, etc.</p> <p>Applications relying on older Project cost estimates, where the age of Project cost estimates cannot be determined, or where there is a lack of detail regarding how costs have been identified, may be considered less favourably in assessment.</p>
10.	<p>If I don't make an application in Round 2, can I apply for funding in future rounds?</p>

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	<p>It is planned the Fund will be delivered across 3 rounds.</p> <p>Each round is discreet. Eligible applicants who do not apply, or who are unsuccessful under a previous round may apply for funding under a future round of the program, subject to meeting that round's eligibility criteria.</p> <p>If an eligible applicant has potential Projects that aren't ready yet (e.g. cannot satisfy all eligibility criteria), there is an opportunity to continue progressing project development work in preparation for future rounds.</p>
11.	<p>Will the fund pay, or reimburse Applicants, for Infrastructure Charges?</p> <p>No. The fund will not pay for infrastructure charges.</p>
12.	<p>What if I don't yet own all of the land required for the residential development?</p> <p>The land ownership/right to access requirements detailed in the Program Guidelines relate specifically to the land upon which the identified Trunk and/or Essential infrastructure will be constructed.</p> <p>In some cases, construction of the Trunk and/or Essential Infrastructure may be entirely within the boundaries of the land being subdivided for the residential development. In such cases, if the Applicant or a consortium member does not own the land, evidence must be provided that the owner of the land has provided their approval for the required Trunk and/or Essential infrastructure works to be undertaken.</p> <p>Where any Trunk and/or Essential infrastructure works are to be undertaken on Local Government or State land, evidence must be provided that the relevant Local Government or Queensland Government agency has approved for works to be undertaken.</p>
13.	<p>How do I apply the allowed contingency to my Project costs?</p> <p>The Program Guidelines allow for a contingency of 20% to be added to your Project's identified total project expenditure. The Fund will only contribute a contingency amount to eligible project costs. Applicant or third-party contributors are responsible for contingency amounts associated with Ineligible Project Costs.</p> <ul style="list-style-type: none"> • Total project expenditure <p style="margin-left: 20px;">A project's total project expenditure is the sum of all expenditure directly related to delivering the project. This may include both Eligible and Ineligible project costs.</p> <p style="margin-left: 20px;">Examples of costs to consider include tendering, materials, construction costs including labour, project management, costs associated with commissioning/certification, etc.</p> • 20% contingency allowance <p style="margin-left: 20px;">To address the potential for unforeseen expenditure or price rises, all Residential Activation Fund Round 2 construction applications can include a maximum 20% contingency allowance on top of their identified total project expenditure.</p>

Question

- Calculating Estimated Total Project Cost

The Estimated Total Project Cost for Residential Activation Fund projects is the total project expenditure plus the contingency. Use the following formula to work out the Estimated Total Project Cost including a 20% contingency:

Total project expenditure x 1.2.

If you are seeking a contingency lower than 20% adjust the calculation accordingly.

This amount should then be used to work out the program funding required, and any financial contributions from the applicant or other third-party sources.