

# Building our Regions

## Program guidelines

### Round 4

**March 2018**



**The Department of State Development, Manufacturing, Infrastructure and Planning is responsible for driving the economic development program for Queensland by creating a diverse and thriving economy, and generating new jobs.**

## Copyright

This publication is protected by the *Copyright Act 1968*.

## Licence

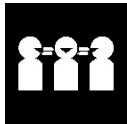


This work, except as identified below, is licensed by the Department of State Development, Manufacturing, Infrastructure and Planning under a Creative Commons Attribution-NonCommercial-Share Alike (CC BY-NC-SA) 4.0 Australia licence. To view a copy of this licence, visit: <http://creativecommons.org.au/>

**You are free to copy, communicate and adapt this publication, as long as you attribute it as follows:**

© State of Queensland, Department of State Development, Manufacturing, Infrastructure and Planning, March 2018.

Third party material that is not licensed under a Creative Commons licence is referenced within this document. All content not licensed under a Creative Commons licence is all rights reserved. Please contact the Department of State Development, Manufacturing, Infrastructure and Planning / the copyright owner if you wish to use this material.



The Queensland Government is committed to providing accessible services to Queenslanders of all cultural and linguistic backgrounds. If you have difficulty understanding this publication and need a translator, please call the Translating and Interpreting Service (TIS National) on 13 14 50 and ask them to contact the Queensland Department of State Development, Manufacturing, Infrastructure and Planning on 07 3452 7100

## Disclaimer

While every care has been taken in preparing this publication, to the extent permitted by law, the State of Queensland accepts no responsibility and disclaims all liability (including without limitation, liability in negligence) for all expenses, losses (including direct and indirect loss), damages and costs incurred as a result of decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge, the content was correct at the time of publishing.

Any references to legislation are not an interpretation of the law. They are to be used as a guide only. The information in this publication is general and does not take into account individual circumstances or situations. Where appropriate, independent legal advice should be sought.

Copies of this publication are available on our website at [www.dsdmip.qld.gov.au](http://www.dsdmip.qld.gov.au) and further copies are available upon request to:

Department of State Development, Manufacturing, Infrastructure and Planning  
PO Box 15009 City East, Queensland 4002.  
1 William Street Brisbane Qld 4000 (Australia)

Phone: 13 QGOV (13 7468)  
Email: [info@dsdmip.qld.gov.au](mailto:info@dsdmip.qld.gov.au)  
Web: [www.dsdmip.qld.gov.au](http://www.dsdmip.qld.gov.au)

**D18/44890**

# Contents

1.	Program overview	1
	Program funds	1
	Key dates	1
2.	Program eligibility	2
	Applicants	2
	Projects	2
	Costs	5
3.	Funding categories	7
	Regional Capital Fund	7
	Royalties for Resource Producing Communities Fund	8
	Remote and Aboriginal and Torres Strait Islander Communities Fund	9
4.	How to apply	10
	Submission of applications	10
	Evidence and supporting information	12
	Application advice and assistance	12
5.	Assessment of applications	13
	Assessment criteria	13
	Due diligence	15
6.	Conditions of funding	16
	Minister retains rights and powers	16
	Funding agreements	16
	Funding acknowledgement and branding	16
	Project Reporting	17
	Financial acquittal	17
	Delivery	18
7.	Legal requirements	20
	Confidentiality	20
	Privacy	20
	Regulatory requirements	20
8.	More information	21
	Feedback	21
9.	Attachment 1	22
	Local government eligibility	22
10.	Attachment 2	23
	EOI eligibility checklist	23
	Business case eligibility checklist	24
11.	Attachment 3	25
	Checklist of business case attachments	25
12.	Attachment 4	26
	Terms and conditions	26

# 1. Program overview

The Queensland Government is committed to providing funding for critical infrastructure in regional Queensland that meets the specific needs of regional communities and supports economic development, including job creation. Round 4 will focus on funding regionally significant economic infrastructure projects that will deliver sustainable economic outcomes for regional communities.

The Building our Regions: Regional Infrastructure Fund (known as Building our Regions) is a targeted infrastructure program that is providing \$445 million for local government<sup>1</sup> projects.

Building our Regions forms a key element of Queensland Made: Labor's plan to protect and create manufacturing jobs.

## Program funds

Building our Regions comprises four infrastructure funds. Three of these funds are managed by the Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP). \$70 million is available under Round 4 across the three funds:

1. Regional Capital Fund (\$34 million available in Round 4)
2. Royalties for Resource Producing Communities Fund (\$26 million available in Round 4)
3. Remote and Aboriginal and Torres Strait Islander Communities Fund (\$10 million available in Round 4).

These guidelines are applicable to these three funds.

The fourth fund is the Transport Infrastructure Development Scheme (TIDS), which is providing an additional \$150 million over five years. TIDS is managed by the Department of Transport and Main Roads and information about TIDS is available at [www.tmr.qld.gov.au](http://www.tmr.qld.gov.au).

## Key dates

Funding decisions under Round 4 of Building our Regions will be made following a two-stage assessment process—an expression of interest (EOI) stage and a business case stage for shortlisted projects.

Key dates for Round 4 of Building our Regions are on the DSDMIP website: [www.dsdmip.qld.gov.au/buildingourregions](http://www.dsdmip.qld.gov.au/buildingourregions).

---

<sup>1</sup> Refers to all eligible applicants listed in Attachment 1

## 2. Program eligibility

All applications submitted (EOI and business case) must meet all mandatory requirements for that stage. Applications that do not satisfy all identified mandatory requirements will be deemed ineligible and will not be assessed.

Mandatory requirements for all EOIs and business cases are that they must:

- be for the construction of an eligible project
- be seeking Building our Regions funding within the range available for the eligible local government's funding category (refer to Section 3: Funding Categories)
- meet the minimum co-contribution requirements for the eligible local government's funding category (refer to Section 3: Funding Categories)
  - if submitting a business case, confirmation of all financial co-contributions must be provided, except where applications for Australian Government funding are not yet decided
- provide copies of all mandatory documents (business case stage only) identified in Attachment 3.

More detailed information about the mandatory requirements for each stage are detailed in Section 4: How to apply.

## Applicants

All local governments in regional Queensland are eligible to apply for funding under the Building our Regions program. The specific fund that each local government can apply under is detailed in Section 3 and Attachment 1. Section 3 also provides more detailed information about each fund.

If an application is being made by a consortium, one eligible local government must be the lead partner and be responsible for project delivery. Local governments are encouraged to work with local organisations such as chambers of commerce, economic development organisations, industry groups and local businesses to progress infrastructure projects that will provide enduring economic outcomes for the local community.

## Projects

Funding is only available for construction of infrastructure projects. Local governments should submit projects that will deliver enduring economic outcomes for regional communities and create and sustain long term jobs.

Detailed information about the assessment criteria that local governments must address for each stage are detailed in Section 5: Assessment of applications.

## Project readiness

Projects submitted for funding under Round 4 must be ready to commence construction no later than **31 July 2019**.

**Funding may be withdrawn from projects that do not commence construction by 31 July 2019**

NOTE: Construction is considered to commence when physical changes are made to the project site or when works commence on another site agreed with DSDMIP.

Local governments should consider whether prospective projects can commence construction within the program's timeframe. If in doubt, local governments should consider seeking funding from an alternative funding source.

To limit the risk of delays in commencing construction, local governments should ensure that all land ownership, access and control issues – including Native Title – are resolved prior to seeking funding. If any issues remain to be addressed at the time of submitting an EOI or business case, the details of these issues, and the local government's plan to resolve them, should be provided. Failure to satisfactorily address land issues at either the EOI or business case stage may result in a project being unsuccessful for funding.

Significant cost increases can also delay construction commencement and adversely impact a project. Local governments are strongly encouraged to obtain detailed project costings prior to submission of a business case, such as a Bill of Materials from a Quantity Surveyor, and provide copies of those costings as supporting evidence. Undertaking geotechnical site investigations to inform project costings, will assist in developing more accurate project costings and support claims of project readiness.

## **Approved projects**

Local governments that are approved for funding will be required to ensure that the resulting infrastructure continues in operation or use, as per its intended purpose at the time of application, for a period of at least ten (10) years after the project's completion.

In most cases it is expected that the local government will own the land on which the funded infrastructure is to be constructed. If the applying local government does not own or have control over the land for the purpose of constructing, operating and maintaining the infrastructure, the local government will be required to enter into a formal arrangement with the land owner to guarantee access for these purposes, to the satisfaction of the department, prior to the commencement of construction.

It is also expected that the local government will own and operate the funded infrastructure. If this is not the case, the local government will be required to enter into a formal arrangement (such as an enterprise works agreement) with the intended owner/operator to guarantee the continued operation of the infrastructure, to the satisfaction of the department, prior to the commencement of construction.

## **Project savings**

Building our Regions funding will be provided to reimburse the actual eligible project costs of the approved project. If actual total project costs at project completion are less than the estimated total project cost (as identified in the funding agreement), the difference between these two amounts will be considered project savings.

If an approved project has contributions from the local government or a third party, project savings will be apportioned between the contributors as per the ratio of the approved funds to the estimated total project cost. The Building our Regions funding for the project may therefore be reduced by DSDMIP by the amount of project savings apportioned to Building our Regions funding. Should the local government have received milestone payments that exceed the Building our Regions share of total project costs after savings are apportioned, the local government will be required to refund the relevant amount to DSDMIP within sixty (60) days of the project completion date.

## Project identification and selection

Local governments are encouraged to work with DSDMIP regional officers to identify a pipeline of strategic infrastructure priorities. The pipeline of projects should align with identified economic development priorities for the region outlined in regional economic development strategies and plans. This pipeline of projects will assist local governments in preparing project applications for potential future funding rounds and to capitalise on other funding opportunities.

Local governments should consider using the Queensland Treasury Corporation's (QTC) Project Decision Framework to assist with the identification and prioritisation process. The implementation of a formal project decision framework will provide the necessary methodology, governance arrangements and relevant tools for effective project consideration and selection.

QTC's Project Decision Framework has been specifically developed to assist local government and will help ensure project business cases consider the whole-of-life costs, options, risks and benefits attributable to the proposed project. The Project Decision Framework's templates and tools are available at no cost for Queensland local governments through QTC Link on the QTC website at [www.qtc.com.au](http://www.qtc.com.au) or by emailing [accountmanager@qtc.com.au](mailto:accountmanager@qtc.com.au) for assistance.

Each local government should also consider their capacity to successfully deliver multiple projects within program timeframes, should more than one be funded, and limit applications to those that are most ready to proceed.

For the purposes of Building our Regions, a 'project' is considered to be the entire scope of works identified in the application. A project may, for example, comprise multiple stages that will all be undertaken with program funding; one stage of a larger multi-stage development that is being funded over a period of years; or a discrete standalone project.

## Sustainability of funded infrastructure

The Queensland Government is committed to funding projects that will have ongoing economic benefits for the community. To ensure that projects are viable and sustainable, the assessment process will consider the whole-of-life costs of projects and local government capacity to fund these costs.

## Eligible projects

Examples of eligible infrastructure projects include:

- commercial / industrial precincts
- infrastructure supporting tourism development
- water, sewage/wastewater, and waste infrastructure projects where there is a direct economic benefit to an industrial, commercial or tourism development
- alternative / renewable energy
- airports
- logistics / transportation hubs
- marine infrastructure.

## Other eligibility requirements

If invited to submit a business case, the fundamental elements of the project must remain unchanged from the expression of interest stage. The identified demand and proposed solution (i.e. the proposed scope of works to be undertaken) should be consistent with what was described in the EOI.

## Ineligible projects

Ineligible projects include:

- projects (including pre-construction activities) that are intended to commence prior to official notification of funding approval
- road and bridge projects (including causeways and floodways)
- water treatment plants for general community needs
- water reservoirs for general community needs
- sewage/wastewater treatment plants for general community needs
- landfill facilities for general community needs
- water pumping stations and pipelines for general community needs
- sewage or wastewater pumping stations and pipelines for general community needs
- feasibility and planning studies
- mapping
- projects that will primarily benefit a single private sector commercial operator
- projects that are intended to enable the local government to operate a business in competition with the private sector in that local government area
- state infrastructure projects that would usually be funded through the normal business of Queensland Government agencies
- multiple projects that are not interdependent but have been submitted in a single application e.g. upgrading airports in two separate communities. [Note: the entire application will be deemed ineligible.]
- projects that have approved funding from an earlier round of Building our Regions or Royalties for the Regions. [Note: applications for subsequent stages of a previously funded project would potentially be eligible.]

## Costs

Total project costs will usually include a combination of eligible and ineligible expenditure. Local governments will be responsible for all ineligible project costs and any eligible project costs over and above the approved funding amount. Local governments will also be responsible for meeting any project cost increases that occur over the course of delivering an approved project.

## Eligible costs

Eligible costs include:

- construction costs including:
  - all site works required as part of the construction
  - the costs of construction-related labour, materials, equipment hire
- detailed design, i.e. production of final 'For Construction' designs or equivalent
- costs of conducting a tender for the approved works

- project management costs including remuneration of local government technical, professional and/or administrative staff for time directly related to managing the construction of approved works, but excluding executive duties and overhead charges
- purchase and installation of fixed plant and equipment required to fully commission the infrastructure
- project contingencies of up to 15 per cent.

## Ineligible costs

Ineligible costs include those related to:

- activities that commence prior to the signing of a funding agreement (unless agreed with DSDMIP prior to incurring such costs), including any otherwise eligible expenditure
- land acquisition costs
- feasibility and planning studies
- conceptual design
- statutory fees and charges and any costs associated with obtaining regulatory and/or development approvals
- legal expenses
- temporary works, other than those required to enable completion of the proposed project
- official opening expenses (including permanent signage)
- ongoing costs for local government administration, operation, maintenance or engineering
- remuneration of employees for work not directly related to the Approved Project
- overhead charges
- vehicle purchasing
- vehicle leasing, unless directly required for construction (and only to that extent), e.g. water trucks, excavators
- portable assets e.g. computers, furniture, desks, whitegoods
- costs of preparing a Building our Regions application or associated supporting material.

The above list identifies the most common examples of ineligible costs and is not intended to be comprehensive. If there is any doubt about eligible projects or costs, please contact DSDMIP (refer to Section 8: More Information for contact details).

### 3. Funding categories

Building our Regions is focused on enabling the provision of critical infrastructure in regional areas and is therefore only open to regional local governments. For the purposes of Building our Regions, this includes the predominately non-urban local governments of South East Queensland (Lockyer Valley, Scenic Rim and Somerset regional local governments). Eligible local governments have been allocated to one of the three funds and are eligible only under that fund.

## Regional Capital Fund

### Who can apply?

The Regional Capital Fund is open to local governments of provincial cities and surrounding rural areas. Local government eligibility has been predominantly determined using the Australian Bureau of Statistics' (ABS) Remoteness Structure<sup>2</sup>. Local governments eligible for funding under the Regional Capital Fund are those categorised by the ABS as predominantly 'Inner Regional' and/or 'Outer Regional'.

Regional Capital Fund Eligible local governments			
Bundaberg	Fraser Coast	Lockyer Valley	South Burnett
Burdekin	Gladstone	Mackay	Southern Downs
Cairns	Goondiwindi	Mareeba	Tablelands
Cassowary Coast	Gympie	Rockhampton	Toowoomba
Douglas	Hinchinbrook	Scenic Rim	Townsville
	Livingstone	Somerset	

### How much can local government apply for?

Under the Regional Capital Fund, eligible local governments can apply for funding of \$250,000 up to a maximum of \$5 million per project.

### What are the co-contribution requirements?

Partnerships are the key to delivering the program. The Regional Capital Fund will fund eligible costs up to 50 per cent of total project costs (refer to Section 2: Program eligibility). This requires a minimum confirmed financial co-contribution of 50 per cent from other contributors, which can include local governments, industry, the Australian Government and others (e.g. community groups). [Note: the 50 per cent mandatory co-contribution is not restricted to funding only eligible costs.]

Projects with financial co-contributions above the mandatory 50 per cent will be assessed more favourably. Please note that whilst funding from other Queensland Government sources is also acceptable, total Queensland Government contributions (including from Building our Regions) may not exceed 75 per cent of total project costs.

---

<sup>2</sup> The ABS Remoteness Structure divides each state and territory into several regional categories, providing a measure of remoteness for each local government area.

# Royalties for Resource Producing Communities Fund

## Who can apply?

The Royalties for Resource Producing Communities Fund is open to local governments of resource communities. Eligible local governments are those which, within their boundaries:

- are experiencing significant direct impacts from resource sector activity
- have well-established and/or significant mining activities
- have smaller, but nevertheless, active mining activities
- have significant exploration activity being undertaken.

Royalties for Resource Producing Communities Fund Eligible local governments			
Banana	Carpentaria	Maranoa	Weipa
Barcaldine	Central Highlands	McKinlay	Western Downs
Bulloo	Charters Towers	Mount Isa	Whitsunday
Burke	Cloncurry	North Burnett	
	Isaac	Quilpie	

## How much can local government apply for?

Under the Royalties for Resource Producing Communities Fund, eligible local governments can apply for funding of \$250,000 up to a maximum of \$5 million per project.

## What are the co-contribution requirements?

Partnerships are the key to delivering the program. The Royalties for Resource Producing Communities Fund will fund eligible costs up to 50 per cent of total project costs (refer to Section 2: Program eligibility). This requires a minimum confirmed financial co-contribution of 50 per cent from other contributors, which can include local governments, industry, the Australian Government and others (e.g. community groups). [Note: the 50 per cent mandatory co-contribution is not restricted to funding only eligible costs.]

Projects with financial co-contributions above the mandatory 50 per cent will be assessed more favourably. Please note that whilst funding from other Queensland Government sources is also acceptable, Queensland Government contributions (including from Building our Regions) may not exceed 75 per cent of total project costs.

# Remote and Aboriginal and Torres Strait Islander Communities Fund

## Who can apply?

The Remote and Aboriginal and Torres Strait Islander Communities Fund is open to local governments of remote and Aboriginal and Torres Strait Islander communities. Local government eligibility has been predominantly determined using the Australian Bureau of Statistics' (ABS) Remoteness Structure<sup>3</sup>. Local governments eligible for funding under the Remote and Aboriginal and Torres Strait Islander Communities Fund are those categorised by the ABS as predominantly 'Remote' and/or 'Very Remote'. All Aboriginal and Torres Strait Islander local governments, regardless of their status under the Remoteness Structure, are also eligible to apply under this fund.

Remote and Aboriginal and Torres Strait Islander Communities Fund Eligible local governments			
Aurukun	Diamantina	Mapoon	Richmond
Balonne	Doomadgee	Mornington	Torres
Barcoo	Etheridge	Murweh	Torres Strait Island
Blackall-Tambo	Flinders	Napranum	Winton
Boulia	Hope Vale	Northern Peninsula	Woorabinda
Cherbourg	Kowanyama	Palm Island	Wujal Wujal
Cook	Lockhart River	Paroo	Yarrabah
Croydon	Longreach	Pormpuraaw	

## How much can local government apply for?

Under the Remote and Aboriginal and Torres Strait Islander Communities Fund, eligible local governments can apply for funding of \$50,000 up to a maximum of \$1 million per project.

## What are the co-contribution requirements?

Partnerships are the key to delivering the program. While financial co-contributions are not mandatory under the Remote and Aboriginal and Torres Strait Islander Communities Fund, project applications that include evidence of confirmed financial co-contributions will be assessed more favourably. Financial co-contributions can come from local governments, industry, the Australian Government, Queensland Government and others (e.g. community groups). [Note: co-contributions are not restricted to funding only eligible costs.]

---

<sup>3</sup> The ABS Remoteness Structure divides each state and territory into several regional categories, providing a measure of remoteness for each local government area.

## 4. How to apply

Building our Regions funding is awarded through a competitive two-stage application and assessment process—an expressions of interest (EOI) stage and a business case stage for shortlisted projects.

The EOI stage will consider the eligibility and the strategic merit of proposed projects.

The business case stage will consider the project in more detail, including strategic merit, local government capacity to deliver the project, project risk identification and mitigation, and financial soundness.

To assist in preparing applications, local governments are encouraged to read these Program Guidelines, the Guide to completing an EOI, Guide to completing a business case and Frequently Asked Questions. These documents and all required templates will be available on the Building our Regions website at [www.dsdmip.qld.gov.au/buildingourregions](http://www.dsdmip.qld.gov.au/buildingourregions) as each assessment stage opens.

EOIs and business cases, and all required supporting documentation for business cases, must be received by the relevant closing dates. Late submissions will not be accepted.

Local government requests to change an EOI or business case, or to provide additional information, after the closing date will not be accepted. However, if a local government discovers an error after submitting an EOI or business case, contact the Building our Regions program team immediately on 3452 7377 or via email on [buildingourregions@dsdmip.qld.gov.au](mailto:buildingourregions@dsdmip.qld.gov.au).

The Chief Executive Officer of the local government is responsible for ensuring that the application is complete and accurate. Giving false or misleading information is a serious offence and may also exclude the local government from funding consideration.

All applicants will be notified in writing of the outcome of their applications.

### Submission of applications

EOIs and business cases should be submitted online through the Building our Regions portal by the relevant closing date. Once an application is submitted, the portal enables the local government to identify an order of priority for each project. Local governments having trouble using the portal should contact the department for assistance (refer to Section 8: More information).

Local governments may submit multiple projects but a separate application must be completed for each project. For example, if seeking funding to upgrade airport infrastructure in two different towns, these would be considered as two separate projects and the eligible local government would need to submit a separate EOI for each.

For more information on completing an application, please refer to the Guide to completing an EOI and Guide to completing a business case.

### Mandatory requirements

Applications which do not meet program or project eligibility requirements, or do not provide all the required mandatory documentation, will be deemed ineligible. Mandatory requirements for all EOIs and business cases are that they must

- be for the construction of an eligible project

- be seeking Building our Regions funding within the range available for the eligible local government's funding category (refer to Section 3: Funding Categories)
- meet the minimum co-contribution requirements for the eligible local government's funding category (refer to Section 3: Funding Categories)
  - if submitting a business case, confirmation of all financial co-contributions must be provided, except where applications for Australian Government funding are not yet decided
- provide copies of all mandatory documents (business case stage only) identified in Attachment 3.

Local governments will receive a system generated notification email when an EOI or business case is successfully submitted. Emails will be sent to the local government's Chief Executive Officer and the Project Contact Officer identified in the application. The email will provide a PDF copy of the EOI or business case submitted and list all attachments successfully lodged with the business case. Local governments are advised to check the details included in notification emails and contact the department immediately if any attachments are missing.

**Please note: local governments are responsible for attaching the correct documents to the business case. The department will not follow up with local governments to obtain missing documentation.**

## Expressions of interest

The round opens with the call for eligible local governments to submit EOIs.

Eligible local governments submitting an EOI will be required to:

- complete the EOI application via the Building our Regions portal
- read and accept the terms and conditions prior to submitting the EOI (refer to Attachment 4: Terms and conditions) and
- assign a local government priority to each EOI submitted.

No mandatory attachments or supporting documents are required at the EOI stage. If provided, they will not form part of the assessment. Only information provided in response to questions in the online EOI application will be considered in assessing the EOI. If available, local governments may provide mapping files to enable more accurate mapping of projects.

Applicants will be notified in writing of the assessment outcome of their projects and those with shortlisted EOIs will be invited to submit a business case for further consideration.

Feedback will be made available to applicants on all submitted projects. Feedback on shortlisted projects will be given priority to assist in preparation of business cases.

## Business case

The portal will re-open for submission of business cases once shortlisted EOIs are announced. Business cases may only be submitted for projects shortlisted at EOI.

Eligible local governments submitting a business case will be required to:

- complete the business case via the Building our Regions portal
- attach the following mandatory documentation:
  - a detailed project plan – the template is available in the Building our Regions website

- a cash flow forecast in excel format – the template is available on the Building our Regions website
- either a Cost Benefit Analysis (for projects with a total project cost of over \$500,000) or a Benefits Assessment (for projects with a total project cost up to and including \$500,000) – the templates are available on the Building our Regions website
- if applicable, letters confirming any financial and in-kind contributions from other parties, including details of the amount of funding and any conditions attached to the funding. Note: all funding must be confirmed at the time of submission, except where applications for Australian Government funding are not yet decided
- attach any additional identified documentation that supports statements made in the business case (unless web addresses are provided in your response to the business case)
- read and accept the terms and conditions prior to submitting the business case (refer to Attachment 4: Terms and conditions) and
- assign a local government priority to each business case submitted.

Applicants will be notified in writing of the assessment outcome for their business cases. Those with successful applications will be contacted in due course by DSDMIP with regard to developing a funding agreement.

Feedback will be made available to all applicants.

## Evidence and supporting information

Local governments with shortlisted projects will be expected to provide substantive documentary evidence to support statements made in their business case. Evidence should be directly relevant to the project, be from a credible source, and relatively recent.

For supporting evidence to be considered it should be properly referenced in the business case. This should include the document name or attachment number, and the section or page numbers. Failure to properly reference supporting evidence may result in supporting evidence not being considered during assessment.

For more information on using evidence to support a business case, please refer to the Guide to completing a business case.

## Application advice and assistance

Local governments are strongly encouraged to work with their local DSDMIP regional office in developing their applications. DSDMIP regional officers can assist local governments to identify eligible projects and prepare competitive applications, supporting documentation and evidence.

Refer to Section 8: More information for departmental contact details.

## 5. Assessment of applications

In addition to the assessment criteria provided below, a wide range of factors will be considered when assessing applications. These include risk management, financial soundness, the project's eligibility and strategic merit, and the local government's experience in delivering infrastructure projects and current position to do so.

Projects in drought declared Local Government Areas will be given priority through an additional weighting being applied.

Advice on how to address the assessment criteria is provided in the Guide to completing an EOI and the Guide to completing a business case.

All business cases will be subject to due diligence, including financial and economic assessments. Local governments may be asked to provide further information for this purpose.

Local governments will be notified in writing of the outcome for their submissions at the conclusion of each stage of the application process. Feedback will be offered to local governments on all applications.

### Assessment criteria

The intent of the Building our Regions program is reflected in the assessment criteria. These criteria are weighted according to their significance in achieving the program's intent.

#### Expression of interest assessment criteria

EOIs will be assessed against the following three criteria and how well each is addressed and satisfied:

##### **Assessment Criterion 1 — Project demand (weighting 40 per cent)**

The application describes the demand for the project, providing detailed information about the current economic environment within the local government area and/or region including:

- opportunities for ongoing economic growth and/or
- constraints on economic growth
- the consequences for the local/regional economy, industry and community if action is not taken and
- stakeholder (business, industry and community) recognition of the demand.

Responses should include both quantitative and qualitative information about the demand for the project.

##### **Assessment Criterion 2 — Proposed solution (weighting 30 per cent)**

The application provides detailed information about:

- how the project will assist in taking advantage of the identified economic opportunities and/or addressing the economic constraints.
- why the proposed infrastructure is the most appropriate course of action and what alternatives have been considered
- readiness to commence construction within the program's timeframes, including how any regulatory approvals and land requirements are being addressed and
- stakeholder (business, industry and community) support for the proposed infrastructure.

### **Assessment Criterion 3 —Project benefits (*weighting 30 per cent*)**

The application provides detailed information about the construction related and ongoing direct and indirect economic benefits that are expected to be realised by the project.

Responses should include both quantitative and qualitative information about the direct and indirect benefits.

## **Business case assessment criteria**

Business cases, including information provided in the supporting documentation, will be assessed against the following four criteria and how well each is addressed and satisfied:

### **Assessment Criterion 1 — Project demand (*weighting 20 per cent*)**

The application describes the demand for the project, providing detailed information about the current economic environment within the local government area and/or region including:

- opportunities for ongoing economic growth and/or
- constraints on economic growth
- the consequences for the local/regional economy, industry and community if action is not taken and
- stakeholder (business, industry and community) recognition of the demand.

Responses should include both quantitative and qualitative information about the demand for the project.

### **Assessment Criterion 2 — Proposed solution (*weighting 25 per cent*)**

The application provides detailed information about:

- how the project will assist in taking advantage of the identified economic opportunities and/or addressing the economic constraints
- why the proposed infrastructure is the most appropriate course of action and what alternatives have been considered
- readiness to commence construction within the program's timeframes, including how any regulatory approvals and land requirements are being addressed
- feasibility of delivering the project within the identified budget and timeframes, including experience in delivering projects previously funded by BoR and other infrastructure funding programs
- demonstrates potential risks/delays have been considered and addressed and
- stakeholder (business, industry and community) support for the proposed infrastructure.

### **Assessment Criterion 3 — Value for money/Project benefits (*weighting 40 per cent*)**

The application provides detailed information about:

- direct and indirect construction related and ongoing economic benefits that are expected to be realised by the project, including during the construction phase and beyond
- other direct and indirect benefits, including social and environmental benefits, that are expected to be realised by the project
- the ongoing operational and maintenance costs of the infrastructure and the capacity of the local government to fund these costs over the life of the infrastructure

- the level of other investment (e.g. industry, business, universities) in the project and/or ongoing partnerships with these organisations in achieving the long-term objectives of the project.

The Cost Benefit Analysis or Benefits Assessment (as required depending on total project cost) is the primary source of information for this criterion. The information provided in the Cost Benefit Analysis or Benefits Assessment should include both quantitative and qualitative information about the direct and indirect benefits.

#### **Assessment Criterion 4 — Leverage (*weighting 15 per cent*)**

The application clearly details confirmed financial contributions to the project from the applicant and other contributors.

As applications under the Regional Capital Fund and the Royalties for Resource Producing Communities Fund must have at least matching (50/50) co-contributions to be eligible, confirmed financial contributions above the mandatory requirement will be assessed more favourably.

Applications submitted under the Remote and Aboriginal and Torres Strait Islander Communities Fund that demonstrate confirmed financial contributions will be assessed more favourably.

## **Due diligence**

Due diligence will be undertaken on both the applicant local governments and submitted projects, and outcomes will inform project assessments. This process will consider a range of factors including, but not limited to: financial capacity; management capability, including how the project will be delivered and evidence of appropriate technical expertise; identified project risks and mitigation strategies; and the local government's experience in delivering infrastructure projects.

## 6. Conditions of funding

### Minister retains rights and powers

The Minister for State Development, Manufacturing, Infrastructure and Planning retains all rights and powers to make all decisions and actions that the Minister sees fit in order to achieve the priorities and objectives of the program.

The Minister will have the discretion to approve funding for projects that may not meet the criteria.

The Minister may require funding recipients to provide all such documents or to remedy irregularities, as deemed necessary, to demonstrate the appropriate management and use of State funds.

The Minister may delegate, either generally or in specific cases, the powers and duties of the Minister under this program, where appropriate.

### Funding agreements

Local governments accepting offers of financial assistance through the Building our Regions program are required to enter into a formal funding arrangement with DSDMIP or its nominated agents. No commitment by DSDMIP or the State to provide funding in relation to a project arises until a funding agreement has been duly executed by both the State and the local government.

The funding agreement is between the state and the local government and provides the general conditions of funding associated with delivery of a project funded under the Building our Regions program and sets out the specific terms and conditions associated with a project, including payment milestones.

It is intended that funding agreements will be executed within three months of the funding announcement, and prior to the commencement of construction.

More information on Building our Regions funding arrangements, including a sample funding agreement, will be available during the business case stage.

### GST requirements

Generally, provision of Building our Regions funding to local governments is not considered a taxable supply and so GST is not applicable.

### Council Resolution

Prior to the Queensland Government executing the Funding Agreement, local governments will be required to provide a resolution from council that it has budgeted their financial contribution to the project, is committed to delivering the approved project, and acknowledges responsibility for any funding shortfall if costs or other contributors change.

### Funding acknowledgement and branding

Local governments that receive funding through the Building our Regions program are required to appropriately acknowledge the Queensland Government's contribution.

This should include acknowledgement of State funds in all media announcements, web material or local government applications regarding the approved projects.

Media announcements will be required to be provided to the department in draft for approval prior to their release. The department or the Minister may wish to collaborate with the local government for a joint media announcement or statement.

The Building our Regions *Funding acknowledgement guide* is available from [www.dsdmip.qld.gov.au/noindex/building-our-regions-funding-acknowledgement-guide.pdf](http://www.dsdmip.qld.gov.au/noindex/building-our-regions-funding-acknowledgement-guide.pdf).

## Project Reporting

### Progress and completion reporting

The Funding Agreement will specify requirements for the submission of Project Progress Reports and a Project Completion Report. Templates for these reports will be provided by DSDMIP.

Project Progress Reports will require the local government to provide information about progress in delivering the approved project including details of any delays or risks, project expenditure and financial contributions received, regulatory approvals, implementation of signage requirements, evidence of funding acknowledgement and project-related media, and other requirements as determined by the department.

Project Completion Reports will require the local government to provide an overview of the approved project's delivery including actual project dates, budget and costs, regulatory approvals, photographs of completed works and signage, evidence of funding acknowledgement and project-related media, and other requirements as determined by the department.

### Project benefits reporting

To fully capture how Building our Regions funding is making a real difference in regional communities, local governments that secure funding are required to complete a benefits report for each project. This report should highlight the economic benefits of the project, along with any social and environmental benefits that will be realised.

The Project Benefits Report will build on the project benefits identified in the application process and include both quantitative and qualitative data. This information will establish anticipated benefits when the project commences, and be updated with realised benefits once complete. Ongoing benefits monitoring requirements following project completion may also be required.

Departmental officers will provide guidance to local governments in developing these reports.

## Financial acquittal

DSDMIP may review payments made under Building our Regions to ensure compliance with the funding agreement. In such instances, the local government must be able to provide documentation that supports claims for Building our Regions funding, including invoices, remittance advices and transaction listings. These reviews do not limit the State's broad audit rights.

# Delivery

## Confirmation of ownership

In certain circumstances, a project may be approved for funding where the local government will not:

- own the land upon which the infrastructure will be built
- own and operate the resulting infrastructure.

In these cases, and prior to commencement of construction, local governments must have obtained all relevant permissions or agreements in order to ensure that:

- the local government has the right to access the land in order to construct, operate or maintain the proposed infrastructure
- the infrastructure will be operated in accordance with its intended purpose at the time of application for a period of not less than 10 years.

## Construction

Approved projects must commence construction no later than 31 July 2019.

**Funding may be withdrawn from projects that have not commenced construction by 31 July 2019.**

NOTE: Construction is considered to commence when physical changes are made to the project site or when works commence on another site agreed with DSDMIP.

## Building and Construction Training Policy

The *Queensland Government Building and Construction Training Policy* is one element in a longstanding partnership between the building and construction industry and the Queensland Government to develop the industry's skills base and future workforce capability.

Local governments must comply with requirements set out in the training policy when awarded Building our Regions funding for building projects with a contract sum of \$500,000 or greater (including GST), and civil construction projects with a contract sum of \$3 million or greater (including GST).

The training policy supports employment opportunities and skills development in Queensland's building and construction industry. It also focuses on increasing the economic independence of Aboriginal and Torres Strait Islander Queenslanders in the industry.

The training policy requires contractors to employ apprentices and trainees and undertake other workforce training as a mandated component of being awarded work on eligible Queensland Government projects.

The training policy has a core requirement that a minimum of 10 per cent of the total labour hours on eligible projects be undertaken by apprentices and/or trainees and through other workforce training. This may be increased to 15 per cent on a case-by-case basis as determined by the Department of Employment, Small Business and Training.

More information is available at: <http://training.qld.gov.au>.

## Local industry content

The Queensland Government is committed to maximising local content through greater participation of capable local industry in major government procurements.

Building our Regions projects are subject to the Queensland Government's Charter for Local Content. To fulfil the Charter, where projects in regional Queensland have total Queensland Government funding contributions greater than \$2.5 million (exclusive of GST), excluding information and communication technology products and services, local governments will be required to provide details about how they have applied the Charter's principles and submit a Project Outcome Report on completion of the project.

More information is available at: [www.dsdmip.qld.gov.au/local-content](http://www.dsdmip.qld.gov.au/local-content).

## 7. Legal requirements

### Confidentiality

DSDMIP collects information for the purpose of evaluating applications for the Building our Regions program. By agreeing to the conditions in these program guidelines and the application documentation, applicants agree that the information supplied as part of the Building our Regions funding application process may be shared with Queensland Government agencies and other program stakeholders for the purpose of project assessment and to ensure the emerging package of projects is consistent with Queensland Government priorities.

The department may also disclose information to promote the program through the release of the recipient's name, the amount of financial assistance and general details of the project. The Queensland Government is committed to maintaining the confidentiality of other information of a commercially sensitive nature.

### Privacy

Information collected is also subject to the *Right to Information Act 2009* and the *Information Privacy Act 2009*. The information provided may be publicly released and/or provided to third parties and other government agencies, but only for the purposes for which the information is being collected or as authorised or required by law. The applicant's personal information will be stored on departmental files and may be disclosed for purposes relating to the Building our Regions program or as authorised or required by law.

### Regulatory requirements

Payments under the program are conditional on the funding recipient observing all relevant laws and Queensland and Australian Government policies. The program provides funding assistance only and does not relieve a funding recipient from:

- performing or observing all conditions and duties that may apply to the works under any act, law or regulation
- having due regard to any relevant Queensland and Australian Government policies.

Approval of funding under the program does not imply that any necessary licences or approvals will be granted, or that agencies will make favourable policy decisions. Funding recipients must independently obtain all necessary permits, licences, consents, and a clear statement of other requirements, from relevant parties prior to commencement of projects. Information on the status of these requirements is to be provided in the application and in updates to the detailed project plan and reports following approval.

Following the completed construction of an approved project, the funding recipient must continue to independently obtain and comply with all relevant approvals and certifications as required by any acts, laws or regulations.

## 8. More information

Officers from DSDMIP are available to assist local governments.

Enquiries may be directed to the Building our Regions program team on 3452 7377 or via email at [buildingourregions@dsdmip.qld.gov.au](mailto:buildingourregions@dsdmip.qld.gov.au).

The department's regional officers will also be able to assist at a local level including working with local governments to identify eligible projects and prepare competitive applications, supporting documentation and evidence. Regional officers will not be involved in the assessment of EOIs or detailed applications from local governments within their regions or in the selection of successful projects.

Contact information for the office that services each local government is available at: [www.dsdmip.qld.gov.au/contact-us](http://www.dsdmip.qld.gov.au/contact-us).

Where an infrastructure project involves Queensland Government owned or controlled land, local governments should consult with the relevant Queensland Government agency.

Officers from DSDMIP (or its agents) will be assigned to work with local governments on projects awarded funding under the Building our Regions program. These officers will assist local governments through the process of developing, executing and managing Building our Regions funding agreements and associated obligations.

General information on the Building our Regions program is available at [www.dsdmip.qld.gov.au/buildingourregions](http://www.dsdmip.qld.gov.au/buildingourregions).

## Feedback

DSDMIP welcomes feedback on Building our Regions from local governments and members of the community.

The department is committed to prompt and effective resolution of issues that may arise following the assessment process and subsequent awarding of grant funding, on a case by case basis. In the event that an applicant believes that the assessment process outlined in this document has not been adhered to, the applicant may raise their concern at [buildingourregions@dsdmip.qld.gov.au](mailto:buildingourregions@dsdmip.qld.gov.au) and this will be considered.

Further information about providing feedback, compliments or complaints to DSDMIP can be found at <http://www.dsdmip.qld.gov.au/contact-us/feedback-compliments-and-complaints.html>.

## 9. Attachment 1

### Local government eligibility

Local governments eligible to apply under each fund are as follows:

Regional Capital Fund	Royalties for Resource Producing Communities Fund	Remote and Aboriginal and Torres Strait Islander Communities Fund
Bundaberg	Banana	Aurukun
Burdekin	Barcaldine	Balonne
Cairns	Bulloo	Barcoo
Cassowary Coast	Burke	Blackall-Tambo
Douglas	Carpentaria	Boulia
Fraser Coast	Central Highlands	Cherbourg
Gladstone	Charters Towers	Cook
Goondiwindi	Cloncurry	Croydon
Gympie	Isaac	Diamantina
Hinchinbrook	Maranoa	Doomadgee
Livingstone	McKinlay	Etheridge
Lockyer Valley	Mount Isa	Flinders
Mackay	North Burnett	Hope Vale
Mareeba	Quilpie	Kowanyama
Rockhampton	Weipa	Lockhart River
Scenic Rim	Western Downs	Longreach
Somerset	Whitsunday	Mapoon
South Burnett		Mornington
Southern Downs		Murweh
Tablelands		Napranum
Toowoomba		Northern Peninsula
Townsville		Palm Island
		Paroo
		Pormpuraaw
		Richmond
		Torres
		Torres Strait Island
		Winton
		Woorabinda
		Wujal Wujal
		Yarrabah

## 10.Attachment 2

### EOI eligibility checklist

Requirement		Yes	No
Project type	Is the project eligible (refer section 2 Eligible projects and Ineligible projects)?	<input type="checkbox"/>	<input type="checkbox"/>
One project per application	Is the application for only one project? Or, if not, are all the projects interdependent?	<input type="checkbox"/>	<input type="checkbox"/>
Funding amount	Is the funding sought within the relevant funds' limits? <ul style="list-style-type: none"> <li>– Remote and Aboriginal and Torres Strait Islander Communities Fund: \$50,000 – \$1,000,000</li> <li>– Regional Capital Fund: \$250,000 – \$5 million</li> <li>– Royalties for Resource Producing Communities Fund: \$250,000 — \$5 million</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Mandatory co-contribution	Has the mandatory co-contribution been met? <ul style="list-style-type: none"> <li>– Remote and Aboriginal and Torres Strait Islander Communities Fund — N/a</li> <li>– Regional Capital Fund <ul style="list-style-type: none"> <li>o co-contribution of at least 50% of total project cost</li> <li>o no more than 75% total Qld Govt funding</li> </ul> </li> <li>– Royalties for Resource Producing Communities Fund <ul style="list-style-type: none"> <li>o co-contribution of at least 50% of total project cost</li> <li>o no more than 75% total Qld Govt funding</li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Project dates	Is construction scheduled to commence on or before 31 July 2019?	<input type="checkbox"/>	<input type="checkbox"/>
	Is the project scheduled to start after the earliest anticipated approval date (late September 2018)?	<input type="checkbox"/>	<input type="checkbox"/>

## Business case eligibility checklist

Requirement		Yes	No
Project type	Is the project eligible (refer section 2 Eligible projects and Ineligible projects)?	<input type="checkbox"/>	<input type="checkbox"/>
One project per application	Is the application for only one project? Or, if not, are all the projects interdependent?	<input type="checkbox"/>	<input type="checkbox"/>
Funding amount	Is the funding sought within the relevant funds' limits? <ul style="list-style-type: none"> <li>– Remote and Aboriginal and Torres Strait Islander Communities Fund: \$50,000 – \$1,000,000</li> <li>– Regional Capital Fund: \$250,000 – \$5 million</li> <li>– Royalties for Resource Producing Communities Fund: \$250,000 — \$5 million</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Mandatory co-contribution	Has the mandatory co-contribution been met? <ul style="list-style-type: none"> <li>– Remote and Aboriginal and Torres Strait Islander Communities Fund — N/a</li> <li>– Regional Capital Fund <ul style="list-style-type: none"> <li>o co-contribution of at least 50% of total project cost</li> <li>o no more than 75% total Qld Govt funding</li> </ul> </li> <li>– Royalties for Resource Producing Communities Fund <ul style="list-style-type: none"> <li>o co-contribution of at least 50% of total project cost</li> <li>o no more than 75% total Qld Govt funding</li> </ul> </li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Project dates	Is construction scheduled to commence on or before 31 July 2019?	<input type="checkbox"/>	<input type="checkbox"/>
	Is the project scheduled to start after the earliest anticipated approval date (late September 2018)?	<input type="checkbox"/>	<input type="checkbox"/>
Project Demand and Solution	Is the Project Demand consistent with what was described in the shortlisted EOI?	<input type="checkbox"/>	<input type="checkbox"/>
	Is the Proposed Solution consistent with what was described in the shortlisted EOI?	<input type="checkbox"/>	<input type="checkbox"/>
Project Scope	Is the project scope still fundamentally the same as in the shortlisted EOI? NOTE: minor changes in scope are allowable, but the fundamentals of what will be built or delivered should remain unchanged.	<input type="checkbox"/>	<input type="checkbox"/>
Mandatory attachments	Have all mandatory attachments been prepared and uploaded to the portal (refer to Attachment 3 Mandatory attachments)?	<input type="checkbox"/>	<input type="checkbox"/>

# 11.Attachment 3

## Checklist of business case attachments

### Mandatory attachments

- ☐ Detailed Project Plan (refer to template)
- ☐ Project Gantt Chart or Detailed Delivery/Works Schedule showing timeframes for all project stages up to and including project completion
- ☐ Project Cash Flow (refer to template)
- ☐ Cost Benefit Analysis or Benefits Assessment (one required based on total project cost – refer to templates)
- ☐ If applicable: Letters from other contributors confirming financial contributions
- ☐ CVs for all Key Personnel identified in the business case including the Project Manager

### Additional/optional attachments

- ☐ Additional documentation supporting project readiness such as detailed project costings, professional designs ('for tender' or 'for construction'), tender documents, etc
- ☐ Mapping files – for GIS spatial mapping purposes, please attach either an ESRI Shape File or MapInfo Tab File for this project site if available – please attach ALL file layers.
- ☐ If building on land not owned or controlled by local government: supporting documentation demonstrating the current status of negotiations with the land owner
- ☐ If the local government will not own, operate and maintain the infrastructure: supporting documentation demonstrating the current status of negotiations with the proposed owner/operator
- ☐ Copies of all supporting documents referred to and relied on as evidence in the application form (unless web addresses/hyperlinks have been provided in the relevant response field)

# 12. Attachment 4

## Terms and conditions

Prior to submission of an EOI or detailed application, the Chief Executive Officer will be required to confirm the following:

I have read the Program Guidelines, and the department's Confidentiality and Privacy Statement (below), and understand that:

1. Submission of an application does not guarantee funding approval for either all or part of the funding being sought.
2. Any approval of funding will be subject to the council entering into a funding arrangement with the Queensland Government.
3. Funded activities cannot commence until the funding arrangement is confirmed and where relevant, the contract executed.
4. Any infrastructure developed under this scheme is the ongoing responsibility of the council to operate and maintain (subject to paragraph 5(a)).
5. Where it is proposed that infrastructure (or any part of it) will be:
  - (a) owned and operated by an entity other than the council; or
  - (b) constructed on Queensland Government owned or controlled land or on land that is not owned or controlled by the councila suitable arrangement in accordance with the Guidelines and acceptable to the department needs to be in place prior to entering a funding agreement. The need for any such arrangement must be identified in the application and written evidence of the support of all relevant parties for such arrangement must be provided when required by the department.

I authorise the department to undertake any necessary due diligence and hereby certify that:

- I am authorised by council to submit this application for funding assistance.
- All details in this application including any attachments are true and correct, and that all proposed projects meet the program guidelines.
- This application has been endorsed by council (and, if shortlisted, a copy of a council resolution will be provided referring to the project by name and indicating the council supports the detailed application for program funding).

## Confidentiality

The department is collecting information for the purpose of evaluating applications for the Building our Regions program. By agreeing to the conditions in the program guidelines and the application form and any attached forms, the information that you supply may be shared with program stakeholders for the purpose of gaining comment on the suitability and priority of the project. The department may also share the information you supply with other Queensland Government agencies for the purpose of assessing and verifying such information.

The department may also disclose information to promote the incentive through the release of the recipient's name, the amount of financial assistance and general details of the project. The Queensland Government is committed to maintaining the confidentiality of information of a commercially sensitive nature.

## Privacy statement

Information collected is also subject to the *Right to Information Act 2009* and the *Information Privacy Act 2009*. The information provided may be publicly released and or provided to third parties and other government agencies—but only for the purposes for which the information is being collected. The applicant's personal information will be stored on departmental files and may be disclosed for purposes relating to the Building our Regions program or as authorised or required by law.



