DROUGHT COMMUNITIES PROGRAMME

File Number: 5/14/10
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INTRODUCTION

On 7 November 2019, the federal government announced a range of drought support measures, including the extension of the Drought Communities Extension Programme from 122 local government areas to a further six areas, including Kangaroo Island and Tatiara.

DISCUSSION

The new drought package delivers an additional $709m of support, including interest free loans for farmers and small businesses, support for schools and childcare centres facing financial pressures as a result of ongoing drought conditions, the redirection of $200m into a Building Better Regions Fund drought round, and $138.9m into additional Roads to Recovery funding in calendar year 2020.

The drought package also includes a further extension to the Drought Communities Programme. The Programme has already provided $1 million for 122 councils and shires in drought-affected areas to invest in projects that support jobs and business income. Last week’s announcement extended this support by providing:

- an additional $1m for each of the 122 drought-affected councils and shires if they need it,
- a $50m discretionary fund to support projects in local government areas impacted by the drought, and
- $1m each for six new areas, including Kangaroo Island and Tatiara.

The Drought Communities Programme provides funding to eligible councils to deliver immediate economic stimulus and other benefits to targeted drought-affected regions of Australia.

This is not a competitive grants program and Council did not apply for funding.

Eligible councils are selected by the federal government based on the level of need, determined using rainfall deficiency data from the Bureau of Meteorology, in conjunction with population and industry data (reliance on agriculture). The government continues to closely monitor conditions across the country, and in consultation with the Prime Minister, Deputy Prime Minister and Minister for Agriculture and Water Resources may consider expanding the program to reach more councils.

This is by design a generous assessment and based on numbers and statistics, rather than a review of actual crops and paddocks.

The below average rainfall in the Tatiara and number of people employed in agriculture met the federal government’s assessment criteria, and Tatiara has become an eligible council under the Programme.

Local government areas in South Australia eligible under the Programme’s previous four announcements are:

- Adelaide Plains**
- Alexandrina**
- Barunga West
- Berri Bamera*
- Ceduna
- Clare and Gilbert Valleys
- Cleve
- Copper Coast**
- Flinders Rangers*
- Franklin Harbour
- Goyder
- Karoonda East Murray
- Kimba
- Light*
- Loxton Waikerie
- Mid Murray
- Murray Bridge*
- Mount Remarkable
- Northern Areas
- Orroroo/Carrieton
- Peterborough*
- Port Pirie City and District**
- Renmark Paringa**
- Southern Mallee
- Streaky Bay
- The Coorong^
- Unincorporated SA**
- Wakefield
- Wudinna
- Yorke Peninsula^
* * * indicates whether councils were approved March 2019, during the 2019 election campaign or in September 2019 respectively. No marker indicates approval in the original programme announcement in 2018.

How does the Drought Communities Programme work?

The Programme will support local community infrastructure and other projects that provide employment, stimulate local spending and provide a long-lasting benefit to communities and the agricultural industries on which they depend.

Under the Programme, each eligible council can receive funding for projects up to $1m, with the minimum grant amount per project $25,000. For the six most recently announced council areas, all projects must be completed and all funding spent by December 2020.

Projects could be upgrading or new community facilities, repairs or upgrades of community spaces, community programs, events and more.

Each project must meet at least one of the following project requirements:

- The project is expected to lead to the employment of locals
- The project is expected to contribute to the economic activity of communities/regions
- The project is expected to lead to the retention of businesses, services and facilities

Eligible projects will have to be negotiated with the federal government. (The Programme does not provide a cheque of $1m to councils to spend as they see fit.)

Community response

The announcement of the extension of the Drought Communities Programme to the Tatiara has created a strong response on the radio, on social media and in conversations with residents.

The common thread in these responses and conversations is a sense of unfairness and unease at receiving drought funding when comparing the Tatiara’s paddocks to the drought reporting in the media or visits north. Though rainfall over the last 12 months may have been well below average and there may be little subsoil moisture, rain has come at the right time of the growing cycle.

Many responses request that Council

- return the funding so it may go to other areas in need,
- direct the funding to others in need,
- purchase hay to send to those in need, or
- save it for a future time of need.

A written response received on 11 November 2019 is attached.

While Council could decline its inclusion in the Drought Communities Programme, government processes mean that the unused funding allocation would return to the federal government’s general revenue, it would not go to another area in need. It is worth noting in this context that 122 of the 537 councils Australia-wide have already received this funding, and are able to receive an additional $1m each under the most recent announcement.

A decision to decline the Drought Communities Programme will also have ramifications on funding from other government programs, including the Roads to Recovery program (allocation of $566,754) and the Building Better Regions Fund, and will potentially refuse other opportunities to our community and farmers.

Council cannot, under the Programme, direct the funds to another area in need, nor can we purchase hay, or save the funds for another day. Any funding will have to be spent on community projects in the Tatiara by December 2020.

Building resilience

The intent of the Drought Communities Programme is not just economic stimulus but to build resilient communities that are able to manage adverse events.

To this end, eligible councils must develop an Adverse Event Plan which meets the needs of their community, and give consideration to the following:
• natural resource management (i.e. managing water supply, ground cover, trees, erosion, biodiversity)
• economic diversification and community resilience (i.e. infrastructure planning, tourism investment, diversifying local industries, capacity building for local leadership)
• communication and coordination (i.e. how to let people know what’s available – now, and in the future; how do you communicate in hard times and for recovery).

The Programme acknowledges that there will always be adverse weather events. The Tatiara has experienced drought in the past and will again. While Council cannot hold the funding in reserve until the time is “right”, we can use it to achieve projects important to our community or to bring forward works that will further economic development and stability in the district.

The Tatiara may be fortunate this season, but Council can spend the funding wisely to assist future prosperity and resilience in times of adverse weather events.

Our community groups and sporting clubs are what builds a stronger community and many of these groups have been seeking funding for projects and initiatives from a very small government and philanthropic funding pool for some time. Projects officers are aware of include reroofing clubrooms, new change rooms, resurfacing netball courts, a new nature play area/playground in Bordertown, extension to Mundulla playground, to name a few.

It is therefore proposed to accept the extension of the Drought Communities Programme and compile a list of potential community and Council projects.

To facilitate this process, it is proposed to write to all local community groups and sporting clubs, explaining the nature of the funding available, the conditions (minimum of $25,000, to be completed by December 2020), and seek expressions of interests for projects.

An assessment panel, consisting of three elected members and three officers would be established to assess the expressions of interest against the Drought Communities Programme, consider their economic and community benefit, and recommend projects for the Programme to Council.

The short funding timelines mean that expressions of interest timelines will equally have to be short (three weeks).

While Council is still awaiting formal notification of the funding and guidelines, guidelines as they currently stand are attached for information.

OPTIONS

Council can choose to decline its inclusion in the Drought Communities Programme or accept and seek community projects for the Programme.

STRATEGIC PLAN REFERENCE

1 - Outcome One: A Safe and Connected Community
1.1 - Provide innovative and effective community services
1.1.2 - Create a safe community environment
1.1.2.2 - Promote and support recreational and cultural activities that encourage community participation (e.g. libraries, cinemas, men’s sheds, walking trails, recreation and sporting venues)

POLICY/LEGAL IMPLICATIONS

Council will have to enter into a grant agreement with the Commonwealth. The grant agreement will specify the reporting requirements.

FINANCIAL IMPLICATIONS

There is no requirement for a co-contribution from Council or others. Projects can be entirely funded by the Drought Communities Programme. However, there will be implications for Council resources in project managing the Programme.
RISK MANAGEMENT IMPLICATIONS
As shown in the response to the announcement, one of the biggest risks inherent in the Programme is one of reputational damage based on community perception and understanding of funding conditions.

Other risks are inherent in the delivery of large community infrastructure projects, i.e. delivery on time and within budget, and will be managed with an appropriate project management framework.

COMMUNICATION/CONSULTATION/ADVERTISING
A media release will be issued advising Council’s decision. Dependent on the resolution, community groups and sporting clubs will be advised and expressions of interest sought.

ATTACHMENTS
1. Drought Communities Programme Grant opportunity guidelines PDF
2. FEDERAL FUNDING V Maney

RECOMMENDATION
That Council
1. accept its inclusion in the federal government’s Drought Communities Programme;
2. invite expressions of interest from local community groups and sporting clubs for projects under the Programme;
3. establish an Assessment Panel, consisting of CRS ……………………………, ……………………………, and ……………………………, ……………………………, …………………………… to assess projects against the Programme, consider their economic and community benefit, and recommend projects for the Programme to Council.
# Drought Communities Programme - Extension

<table>
<thead>
<tr>
<th><strong>Opening date:</strong></th>
<th>September 2018</th>
</tr>
</thead>
</table>
| **Closing date:** | ▪ 30 June 2019 for the 81 Eligible Councils announced in 2018  
▪ 1 December 2019 for the 15 Eligible Councils announced in March 2019  
▪ 1 June 2020 for the 14 Eligible Councils announced during the 2019 election campaign  
▪ 1 June 2020 for the 13 Eligible Councils announced in September 2019 |
| **Commonwealth policy entity:** | Department of Infrastructure, Transport, Cities and Regional Development |
| **Administering entity** | Department of Industry, Innovation and Science |
| **Enquiries:** | If you have any questions, contact us at business.gov.au. |
| **Date guidelines released:** | September 2018 and updated October 2018, March 2019, July 2019 and October 2019 |
| **Type of grant opportunity:** | Closed non-competitive |
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1. **Drought Communities Programme processes**

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<th>Details</th>
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</thead>
<tbody>
<tr>
<td><strong>The Drought Communities Programme is designed to achieve Australian Government objectives</strong></td>
<td>This grant opportunity is part of the above grant programme, which contributes to the Department of Infrastructure, Transport, Cities and Regional Development Outcome 3. The Department works with stakeholders to plan and design the grant programme according to the Commonwealth Grants Rules and Guidelines.</td>
</tr>
<tr>
<td><strong>The grant opportunity opens</strong></td>
<td>Eligible Councils are invited to submit project proposals via an online application on <a href="http://www.business.gov.au">business.gov.au</a>. We will publish grant guidelines and applicant information on <a href="http://www.business.gov.au">business.gov.au</a> and <a href="http://www.GrantConnect">GrantConnect</a>.</td>
</tr>
<tr>
<td><strong>Invited Eligible Councils complete and submit a grant application</strong></td>
<td></td>
</tr>
<tr>
<td><strong>We assess all grant applications</strong></td>
<td>We assess the applications for completeness and against all the eligibility criteria.</td>
</tr>
<tr>
<td><strong>We make grant recommendations</strong></td>
<td>We provide advice to the decision maker on the merits of each application.</td>
</tr>
<tr>
<td><strong>Grant decisions are made</strong></td>
<td>The Program Delegate decides which applications are successful taking into consideration the proper use of public resources.</td>
</tr>
<tr>
<td><strong>We notify you of the outcome</strong></td>
<td>We advise you of the outcome of your application.</td>
</tr>
<tr>
<td><strong>We enter into a grant agreement</strong></td>
<td>We will enter into a grant agreement with successful Eligible Councils.</td>
</tr>
<tr>
<td><strong>Delivery of grant</strong></td>
<td>You undertake the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making payments.</td>
</tr>
<tr>
<td><strong>Evaluation of the Drought Communities Programme grant opportunity</strong></td>
<td>We evaluate the specific grant activity and Drought Communities Programme as a whole. We base this on information you provide to us and that we collect from various sources.</td>
</tr>
</tbody>
</table>
2. About the grant program

The extension of the Drought Communities Programme (the program) will provide funding of $123 million over three years from 2018-19 to Eligible Councils to deliver immediate economic stimulus and other benefits to targeted drought-affected regions of Australia. The program will support local community infrastructure and other drought relief projects for communities who have been impacted by drought.

The objectives of the program are to deliver support to targeted drought-affected regions of Australia by funding:

- local community infrastructure and
- other drought relief projects.

Funding will target infrastructure and other projects that:

- provide employment for people whose work opportunities have been impacted by drought
- stimulate local community spending
- use local resources, businesses and suppliers
- provide a long-lasting benefit to communities and the agricultural industries on which they depend.

The intended outcomes of the program are to, within a three year timeframe:

- increase employment in regions by providing work for locals and/or farmers and farm labourers/staff/contractors whose employment opportunities have been affected by drought
- improve levels of economic activity in regions
- increase productivity in regions
- enable better retention of businesses, services and facilities.

The Department of Industry, Innovation and Science (the department/we) is responsible for administering the grant opportunity on behalf of the Department of Infrastructure, Transport, Cities and Regional Development.

We will publish the opening and closing dates and any other relevant information on business.gov.au[^1] and GrantConnect[^2].

We administer the program according to the Commonwealth Grants Rules and Guidelines (CGRGs)[^3].

This document sets out:

- the eligibility criteria
- how we consider and assess grant applications
- how we monitor and evaluate grantees
- responsibilities and expectations in relation to the grant opportunity.

We have defined key terms used in these guidelines in Appendix A.

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

3. Grant amount and grant period

3.1. Grants available

The Australian Government has announced a total of $123 million over three years from 2018-19 to provide up to $1 million to each Eligible Council. Program funding is capped and once that ceiling is reached, no other approvals are possible without a further consideration of the program parameters by the Australian Government.

Each Eligible Council can receive funding for projects up to $1 million.

The grant amount will be up to 100 per cent of eligible project costs (grant percentage).

- The minimum grant amount per application is $25,000.
- Applications can include multiple unrelated activities up to the total funding amount of $1 million per Eligible Council.

Co-funding from Eligible Councils is not mandatory, but you may access other funding for the project. Cash funding or in-kind support can be provided by any organisation including, but not limited to, the Eligible Council, state government, not-for-profit organisations and private sector companies.

Funding can also form one component of a larger package of Australian Government funding, noting that other funding needs to meet the eligibility criteria of the program from under which it is funded. For example, eligible fencing projects may be part funded under the Pest Animal and Weed Management Program\(^4\), and eligible road projects may be part funded under the Roads to Recovery Program\(^5\).

Funding under this grant opportunity cannot be considered to be part of, or all of, a Council's contribution to projects under the Bridges Renewal Programme, the National Stronger Regions Fund, the Building Better Regions Fund, the Regional Growth Fund or the Heavy Vehicle Safety and Productivity Programme.

If your project is dependent on funding from other sources, you must identify these sources and include their level of agreed support.

3.2. Project duration

Projects can commence from 19 August 2018.

The 81 Eligible Councils approved for funding in 2018 should complete their projects by 30 June 2019.

The 15 Eligible Councils approved for funding in March 2019 should complete their projects by 31 December 2019.

The 14 Eligible Councils announced during the 2019 election campaign should complete their projects by 30 June 2020.

The 13 Eligible Councils approved for funding in September 2019 should complete their projects by 30 June 2020.

\(^4\) http://www.agriculture.gov.au/
Eligible Councils that can demonstrate they have experienced extenuating circumstances may request an extension of the project period.

The program ends on 30 June 2021.

4. **Eligibility criteria**

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

4.1. **Who is eligible?**

To be eligible you must

- have an Australian Business Number (ABN) and
- be an Eligible Council, listed on business.gov.au and GrantConnect; or
- be invited to apply by the Minister.

4.2. **Eligible Councils**

Eligible Councils that can receive funding under the program are those specified by the Minister responsible for Drought.

For the purposes of the program, we consider an incorporated organisation that provides council-like services and functions in Far West New South Wales and Far North South Australia, for example, the Silverton and Tibooburra villages or the Outback Communities Authority, to be Eligible Councils.

The Minister responsible for Drought, in consultation with the Prime Minister and the Minister for Agriculture can consider approving further Eligible Councils under the program, at their discretion.

The program does not create an entitlement for all drought-affected Councils to receive funding under the program.

4.3. **Additional eligibility requirements**

We can only accept applications:

- submitted by the Chief Executive Officer of an Eligible Council or other council officer authorised to sign a grant agreement
- that include a declaration that you will comply with specific regulatory requirements as outlined in section 10.3.

5. **Eligible grant activities**

5.1. **Eligible projects**

To be eligible your project must:

- be located in an Eligible Council area
- meet project requirements, see section 6
- include eligible activities and eligible expenditure
- have at least $25,000 per application in eligible expenditure
- be undertaken in the project period and completed by the date stipulated in section 3.1.
5.2. Eligible activities

Eligible activities must directly relate to the project and can include:

- repairs, maintenance, upgrading or building new community facilities
- repairs, maintenance, upgrades, construction and fit-out of community spaces
- employing local contractors to undertake repairs and maintenance
- holding events
- undertaking other drought relief activities (including water carting for human consumption) that benefit the community
- development of an Adverse Event Plan.

5.3. Eligible expenditure

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

Eligible expenditure items may include the cost of:

- suppliers, consultants and contracted labour undertaking eligible project activities
- materials required to deliver eligible project activities
- purchasing, leasing or hiring equipment required to deliver eligible project activities
- holding events and
- other drought relief activities (including water carting for human consumption)

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

You must incur the project expenditure between the project start and end date for it to be eligible, unless stated otherwise. You may commence your project from 19 August 2018, but we will not be responsible for any expenditure you incur until a grant agreement is executed.

5.4. Ineligible expenditure

Examples of ineligible expenditure include:

- payment of salaries for existing staff or contractors, although projects may be carried out by existing workforces
- computer software or hardware that is not an integral part of the funded capital project
- a council’s core or business-as-usual operations, which council rates and other government funding usually funds
- purchases of land, buildings, vehicles or mobile capital equipment (e.g. trucks and earthmoving equipment)
- expenditure incurred prior to 19 August 2018
- undertaking studies or investigations, or
- the development of private or commercial ventures, including licensed areas of registered clubs.
This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.

6. Project requirements

Each project must meet at least one of the following project requirements.

The project is expected to lead to the employment of locals

- the extent to which farmers and/or farm labourers/staff/contractors are expected to be employed
- how the project is expected to lead to the employment of locals and over what period of time they are expected to be employed
- the employment expected to be created beyond the immediate construction phase of the project and into the longer-term
- the indirect employment expected to be created through the potential flow-on effects to local businesses, suppliers, and services.

The project is expected to contribute to the economic activity of communities/regions

- local businesses, suppliers and services are expected to be used to complete the projects
- the project will encourage investment, business activities and other economic benefits to communities/regions.

The project is expected to lead to the retention of businesses, services and facilities

- the benefits that should be delivered as a result of the project, such as increased tourism, increased trade for local businesses, improved services resulting from enhanced facilities
- the number of people that are expected to benefit from the approved project.

6.1. Adverse Event Plans

Eligible Councils, publicly announced from 1 July 2019, must submit an Adverse Event Plan with their final project report.

Eligible Councils without an Adverse Event Plan already in place can use part of their funding under the program to develop an Adverse Event Plan.

Eligible Councils must develop an Adverse Event Plan which meets the needs of their community, and give consideration to the following:

- natural resource management (i.e. managing water supply, ground cover, trees, erosion, biodiversity)
- economic diversification and community resilience (i.e. infrastructure planning, tourism investment, diversifying local industries, capacity building for local leadership)
- communication and coordination (i.e. how to let people know what’s available – now, and in the future; how do you communicate in hard times and for recovery).
7. **How to apply**

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

You will need to set up a user account to access our online portal. The portal allows you to apply for and manage grants in secure online environment.

To apply, you must:

- be listed as an Eligible Council or invited by the Minister to submit an application
- complete the online application form through the portal
- provide all the information requested
- address all eligibility criteria
- include all necessary attachments.

We may ask you to justify your project costs. You should have evidence for the costs that you include in your project budget that you can provide on request.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the Criminal Code 1995 (Cth). If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

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

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

7.1. **Attachments to the application**

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

7.2. **Timing of grant opportunity**

You can only submit an application between the published opening and closing dates.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earliest start date of project</td>
<td>19 August 2018</td>
</tr>
<tr>
<td>End date of grant commitment for the 81 Eligible Councils announced in 2018</td>
<td>30 June 2019</td>
</tr>
<tr>
<td>End date of grant commitment for the 15 Eligible Councils announced in March 2019</td>
<td>31 December 2019</td>
</tr>
</tbody>
</table>
### 8. The selection process

We will assess your application for completeness and against all the eligibility criteria. To be recommended for funding, your project must meet all eligibility criteria as these projects provide the best value for money.

If the selection process identifies unintentional errors in your application, we may contact you to correct or clarify the errors. You may be asked to submit an updated proposal.

You may withdraw your application at any time.

#### 8.1. Final decision

The Program Delegate (an AusIndustry senior responsible officer with responsibility for the program), decides which grants to approve taking into account the application assessment and the availability of grant funds.

The Program Delegate’s decision is final in all matters, including:

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

We cannot review decisions about the merits of your application.

### 9. Notification of application outcomes

If you are successful, you will receive a written offer, including any specific conditions attached to the grant.

If you are unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome with us.

### 10. If your application is successful

#### 10.1. Grant agreement

You must enter into a grant agreement with the Commonwealth. We will use the Commonwealth simple grant agreement for this program. A sample [grant agreement](#) is available on [business.gov.au](#) and [GrantConnect](#).

We will manage the grant agreement through the portal. Accepting the grant agreement through the portal is the equivalent of signing a grant agreement. After you have accepted it, we will execute the agreement. Execute means both you and the Commonwealth Government have entered into the grant agreement. We will notify you when this happens and a copy of the executed grant agreement will be available through the portal. The grant agreement will not become binding until it is executed.
We must execute a grant agreement with you before we can make any payments. We are not responsible for any expenditure you incur before a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Program Delegate. We will identify these in the offer of funding.

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

10.2. Simple grant agreement

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth (‘execute’ means both you and the Commonwealth have signed the agreement). During this time, we will work with you to finalise details. The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Program Delegate.

10.3. Project specific legislation, policies and industry standards

You are required to be compliant with all relevant laws and regulations.

Under State and Territory legislation, it is a requirement for people in roles that have direct, unsupervised contact with children to undertake a working with children/vulnerable people check.

You are responsible for ensuring that you have met relevant State or Territory legislation obligations related to working with children and/or vulnerable people, and that any person that has direct, unsupervised contact with children as part of a project under this program, has undertaken and passed a working with children/vulnerable people check, if required under relevant State or Territory legislation. You are also responsible for assessing the suitability of the people you engage as part of your project to ensure children are kept safe.

We do not provide advice on working with children/vulnerable people legislation, and you are responsible for seeking your own advice from the authority in your relevant State or Territory.

In addition, you will need to complete a risk assessment to identify the level of responsibility for children and the level of risk of harm or abuse, and put appropriate strategies in place to manage those risks. You will also need to establish a training and compliance regime to ensure staff are aware of, and comply with, the risk assessment requirements as well as relevant legislation.

To be eligible, you must declare in your application that you comply with these requirements. You will need to declare you can meet these requirements in your grant agreement with the Commonwealth.

10.4. How we pay the grant

The grant agreement will state the:

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

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.
We will make an initial payment on execution of the grant agreement. We will make subsequent payments in advance, based on your forecast eligible expenditure as you achieve agreed milestones and adjusted for unspent amounts from previous payments. Payments are subject to satisfactory progress on the project.

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

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

10.5. How we monitor your project

You must submit reports through the portal in line with the grant agreement. We will provide sample templates for these reports as appendices in the grant agreement. You will also be able to download them from business.gov.au and GrantConnect. We will remind you of your reporting obligations before a report is due. We will expect you to report on:

- progress against agreed project milestones
- project expenditure, including expenditure of grant funds.

The amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

10.6. Final report

When you complete the project, you must submit a final report.

Final reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- be submitted by the report due date
- be in the format provided in the grant agreement.

Eligible Councils, publicly announced from 1 July 2019, must submit an Adverse Event Plan with their final project report.

10.7. Ad-hoc report

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

10.8. Independent audit report

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure. The report template is attached to the sample grant agreement.
10.9. Compliance visits

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

10.10. Grant agreement variations

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

- changing project milestones
- extending the timeframe for completing the project but within the maximum project period referred to in section 3.2.
- changing project activities

Note the program does not allow for:

- an increase of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the grant agreement end date. We can provide you with a variation request template.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

10.11. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details
- bank account details.

If you become aware of a breach of terms and conditions under the grant agreement you must contact us immediately.

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

10.12. Evaluation

We will evaluate the program to determine the extent to which the funded activity is contributing to the program objectives and outcomes. We may use information from your application and project
reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes. We may contact you up to one year after you finish your project for more information to assist with this evaluation.

10.13. Tax obligations

In accordance with the terms of Australian Taxation Office ruling GSTR 2012/2, payments made under the program, which are payments made by a government related entity to another government related entity, do not attract GST. Consequently, funding sought by Eligible Councils in their proposal(s) must exclude the GST component on goods and services and the payments made to Eligible Councils will not include GST.

10.14. Grant acknowledgement

If you make a public statement about a project funded under the program we require you, at a minimum, to acknowledge the grant by using the following:

‘This project received grant funding from the Australian Government.’

If you erect signage in relation to the project, the signage must contain an acknowledgement of the grant. These details will be outlined in the grant agreement.

10.15. Events

We will require you to notify us of events relating to your project and provide opportunity for the Minister or their representative to attend. These requirements will be outlined in your grant agreement.

11. Conflicts of interest

11.1. Your conflict of interest responsibilities

A conflict of interest will occur if your private interests conflict with your obligations under the grant. Conflicts of interest could affect the awarding or performance of your grant. A conflict of interest can be:

- real (or actual)
- apparent (or perceived)
- potential.

We will ask you to declare, as part of your application, any perceived or existing conflicts of interests or that, to the best of your knowledge, there is no conflict of interest.

If you later identify that there is an actual, apparent, or potential conflict of interest or that one might arise in relation to your grant, you must inform us in writing immediately.

11.2. Our conflict of interest responsibilities

We recognise that conflicts of interest may arise with our staff, technical experts, and others delivering the program between:

- their program duties, roles and responsibilities and
- their private interests.
We manage our conflicts of interest according to the APS Code of Conduct (section 13 (7) of the Public Service Act 1999 (Cth)). We publish our conflict of interest policy on the department’s website.

Program officials must declare any conflicts of interest. If we consider a conflict of interest is a cause for concern, that official will not take part in the assessment of relevant applications under the program.

12. How we use your information

Unless the information you provide to us is:

- confidential information as per 12.1, or
- personal information as per 12.3,

We may share the information with other government agencies for a relevant Commonwealth purpose such as:

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

12.1. How we handle your confidential information

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

12.2. When we may disclose confidential information

We may disclose confidential information:

- to our Commonwealth employees and contractors, to help us manage the program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or
- someone other than us has made the confidential information public.

12.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the Privacy Act 1988 (Cth). This includes letting you know:

- what personal information we collect
- why we collect your personal information
- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department’s websites.

You may read our Privacy Policy on the department’s website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

12.4. Public announcement

We will publish non-sensitive details of successful projects on GrantConnect and business.gov.au. We are required to do this by the Commonwealth Grants Rules and Guidelines and the Australian Government Public Data Policy Statement, unless otherwise prohibited by law. This information may include:

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- your organisation’s industry sector.

We publish this information to ensure open access to non-sensitive data within Australian Government agencies to enable greater innovation and productivity across all sectors of the Australian economy.

12.5. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the Freedom of Information Act 1982 (Cth) (FOI Act).

7 http://www.industry.gov.au/Pages/PrivacyPolicy.aspx
The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

13. **Enquiries and feedback**

For further information or clarification, you can contact us on 13 28 46 or by [web chat](https://www.business.gov.au) or through our [online enquiry form](https://www.business.gov.au) on business.gov.au.

We may publish answers to your questions on our website as Frequently Asked Questions.

Our [Customer Service Charter](https://www.business.gov.au) is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

If you are not satisfied with the way we handle your complaint, you can contact:

Head of Division  
AusIndustry - Support for Business  
Department of Industry, Innovation and Science  
GPO Box 2013  
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman](http://www.ombudsman.gov.au/) with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

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## Appendix A. Definitions of key terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Adverse Event Plan</td>
<td>A plan developed in consultation with local stakeholders which aims to build local leadership and community capacity to adapt and cope with chronic stresses and acute shocks. The plan should look to improve preparation, management and recovery from those events. Planning for drought should consider water supply and and quality, projects to buoy the local economy and maintain community cohesion and drought support coordination.</td>
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<tr>
<td>Application form</td>
<td>The details that applicants provide in the online portal to apply for funding under the grant opportunity.</td>
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<tr>
<td>AusIndustry</td>
<td>The division of the same name within the department.</td>
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<tr>
<td>Eligible Council</td>
<td>A council that is eligible to apply for funding under the program as published on business.gov.au and GrantConnect.</td>
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<td>Department</td>
<td>The Department of Industry, Innovation and Science.</td>
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<td>Eligible activities</td>
<td>The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.2.</td>
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<tr>
<td>Eligible application</td>
<td>An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.</td>
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<tr>
<td>Eligible expenditure</td>
<td>The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.3.</td>
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<td>Grant agreement</td>
<td>A legally binding contract between the Commonwealth and a grantee for the grant funding</td>
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<tr>
<td>Grant funding or grant funds</td>
<td>The funding made available by the Commonwealth to grantees under the program.</td>
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<tr>
<td>Grantee</td>
<td>The recipient of grant funding under a grant agreement.</td>
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<td>Guidelines</td>
<td>Guidelines that the Minister gives to the department to provide the framework for the administration of the program, as in force from time to time.</td>
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<tr>
<td>Minister</td>
<td>The Commonwealth Minister responsible for Drought.</td>
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<td>Personal information</td>
<td>Has the same meaning as in the <em>Privacy Act 1988 (Cth)</em> which is:</td>
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<td></td>
<td>Information or an opinion about an identified individual, or an individual who is reasonably identifiable:</td>
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<tr>
<td></td>
<td>a. whether the information or opinion is true or not; and</td>
</tr>
<tr>
<td></td>
<td>b. whether the information or opinion is recorded in a material form or not.</td>
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<tr>
<td>Program Delegate</td>
<td>An AusIndustry senior responsible officer within the department with responsibility for the program.</td>
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<tr>
<td>Term</td>
<td>Definition</td>
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<td>-------------------------------------------</td>
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</tr>
<tr>
<td>Program funding or Program funds</td>
<td>The funding made available by the Commonwealth for the program.</td>
</tr>
<tr>
<td>Project</td>
<td>A project described in an application for grant funding under the program.</td>
</tr>
</tbody>
</table>
Dear Councillors,

It was with almost disbelief that I heard that Tatiara Council had received a million dollars in the recent round of Federal funding and my first reaction was that the offer should be rejected but with further thought I realized that this was short sighted and probably would have long term detrimental effects for our districts.

But I hope you will consider all the opportunities this grant could present.

The obvious one is that seeing the amount of hay waiting to be baled across our area would be to purchase this hay for drought affected areas, and even offer transport opportunities to contractors from those areas. Or perhaps bring stock from those areas to be sold here.

I have been told these ideas might not fit the criteria of the funding. So perhaps this might be an opportunity to do something really creative such as purchasing land and developing an area for garbage disposal such as almost happened with a private enterprise some years ago. This could save Council on going costs for years to come.

A different idea could be to install an area of solar panels somewhere close by.

This might be the opportunity to overcome the housing shortage.

I am sure other even better ideas for long term benefits would be put forward if you ask.

Because I have already heard negative comments I suggest you have a public meeting to explain your situation and your proposed plans. I am quite sure you will all consider most carefully this opportunity so whatever you decide the district will receive long term benefits.

With respect

Vida Maney