

Fact Sheet – Head Agreement for QRA Funding

One agreement for a multitude of programs

Background

Queensland Reconstruction Authority (QRA) administers a range of grants programs. These are related to recovery from the impacts of natural disasters and building community resilience to future disasters as part of QRA's strategic objective of making Queensland the most disaster-resilient state in Australia.

Whilst QRA's role and the suite of programs delivered has expanded in recent years, the contractual agreements in place between QRA and funding recipients have not changed since 2011 when they were principally focused on the administration of the Natural Disaster Relief and Recovery Arrangements (NDRRA).

With the transitioning of NDRRA to Disaster Recovery Funding Arrangements (DRFA) from 1 November 2018 and QRA now administering other resilience-based grants programs, including Get Ready Queensland (GRQ), the Natural Disaster Resilience Program (NDRP) and the recently announced state-funded Disaster Resilience Fund, it is now time to update QRA's contractual arrangements to cover all current and potential funding programs.

QRA has introduced a new and streamlined funding approach to cover this full suite of programs. This approach involves having only one agreement – a *Head Agreement*.

It is a requirement that all recipients of QRA funding enter into a *Head Agreement* with QRA.

One agreement

To streamline the arrangements for providing funding, QRA has developed a *Head Agreement* that:

- governs the relationship between QRA and the recipient in relation to all QRA funding that may be provided to recipients
- is a perpetual agreement and remains in place until terminated in writing by either party
- provides a uniform set of general terms for the provision of QRA funding to recipients
- sets out the framework under which QRA and the recipient will enter into Project Funding Agreements for provision of QRA funding on a project basis.

Where a recipient is successful in its application for funding, QRA will issue a *Project Funding Schedule* which, when executed by both parties, will be considered a binding Project Funding Agreement under the terms and conditions of the *Head Agreement*.

The *Project Funding Schedule* will detail the terms and conditions specific to the approved funding, including reference to the relevant funding guidelines that govern the program, funding type and amount, key date and milestone schedules, payment claim and reporting requirements.

A template for the *Project Funding Schedule* is included in Annexure 1 to the *Head Agreement*.

Flexible for diverse funding programs

The *Head Agreement* has been designed to be flexible to meet the needs of each of the diverse funding programs administered by QRA.

NDRRA and DRFA are unique in that a recipient is generally able to commence works prior to approval and will be reimbursed on the basis of actual eligible expenditure rather than a capped amount. The *Head Agreement* will cover these arrangements through categorising NDRRA and DRFA approvals based on estimates as 'Recommended Value Funding' (and governed by Cl.4.4 of the *Head Agreement*) whereas more traditional funding programs such as NDRP and GRQ or NDRRA and DRFA submissions based on actual costs incurred will be categorised as 'Capped Funding' (and governed by Cl.4.3 of the *Head Agreement*).

Building this flexibility into the *Head Agreements* means there are a number of clauses in the *Head Agreement and Project Funding Schedule* that will not be relevant across all programs. Where this is the case, it will be made clear in the *Project Funding Schedule* as an exclusion or noted as 'not applicable'. For example, some programs such as the NDRP may require an organisation to submit an activity plan, whereas this is 'not applicable' for NDRRA.

How are funds dispersed?

Section 12 of the *Project Funding Schedule* will state how funds will be dispersed.

For NDRRA and DRFA reconstruction projects, there will be no change to funding arrangements with the first payment of 30% of the recommended value made on approval by QRA and up to an additional 60% provided when the organisation submits a progress claim. The final 10% will be paid on submission of close-out documentation. Emergent works and counter disaster operation submissions will similarly continue to be paid 100% on approval.

For other programs, such as NDRP, DRF and GRQ, the disbursement of funds will be in accordance with the relevant funding program guidelines. For example, GRQ will continue to allocate 90% of funding on approval of an activity plan.

Bank account details

A recipient will nominate bank account details once only when entering the *Head Agreement*. When successful for funding, the funding will be paid to this account unless the recipient specifically nominates alternative bank account details in S.20 of the *Project Funding Schedule*.

For execution purposes, the recipient bank account details have been pre-populated in the *Head Agreement* with existing details confirmed for NDRRA funding purposes. If these bank account details are incorrect, please contact us.

Data sharing

QRA often has requirements to obtain data from recipients to either support a funding application, the eligibility of delivered works or in relation to executing on QRA's strategic objective of making Queensland the most disaster resilient state in Australia. This data may include photos, digital road networks, flood lines or other relevant data as requested.

Clause 8 of the *Head Agreement* covers QRA and the recipient's obligations around data sharing. S.17 of the *Project Funding Schedule* will also enable project specific terms and conditions to be included for additional permitted data uses, where required.

Further information

Please contact your RLO or Melissa Harris-Tutt, Director – Finance & People, on 07 3008 7293 or email Melissa.Harris-Tutt@qldra.org.au.