

# 2019 Water and sewerage infrastructure program Guidelines

The 2019 Betterment program is joint Australian Government and Queensland Government funding to restore water and sewerage infrastructure damaged by the North and Far North Queensland Monsoon Trough, 25 January – 14 February 2019



**Queensland Government**



**Australian Government**

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# 2019 Water and sewerage infrastructure program

<b>DRFA Category D</b>	Funding to restore water and sewerage infrastructure damaged by the Monsoon Trough event.
<b>Available Funding</b>	\$14.5 million
<b>Eligible applicants</b>	Local governments
<b>Administered by</b>	Queensland Reconstruction Authority
<b>More information</b>	Phone: (07) 3008 7200 Email: <a href="mailto:Submissions@qra.qld.gov.au">Submissions@qra.qld.gov.au</a>

## 1. Purpose

The purpose of the jointly Australian and Queensland Government funded (50:50) Water and Sewerage Infrastructure Program is to alleviate distress and accelerate recovery of those communities impacted by the devastating effects of the North and Far North Queensland Monsoon Trough, 25 January – 14 February 2019 (Monsoon Trough).

The Water and Sewerage Infrastructure Program is one component of a jointly funded, exceptional circumstances Category C & D funding package approved under the *Disaster Recovery Funding Arrangements (DRFA) 2018*.

## 2. Objectives

The objectives of the \$14.5 million Water and Sewerage Infrastructure Program are to provide Category D DRFA funding to enable eligible local governments to:

- restore essential water and sewerage infrastructure that was damaged by the Monsoon Trough event
- restore essential water and sewerage infrastructure considered ineligible for DRFA Category B funding
- ensure essential services are delivered to the community, accelerating recovery and relieving distress.

## 3. Timeframes

Key dates:

- Expressions of Interest (EoIs) due to QRA by **19 July 2019**
- All approved projects completed by **30 June 2021**
- All approved project close out reports due to QRA within three months of completing project and by no later than **30 September 2021**.

## 4. Funding

A total of \$14.5 million in Category D DRFA funding is available under this program. Applicants may lodge more than one project proposal.

Funding under this program is approved as a capped amount to the approved project.

## 5. Eligibility criteria

**Eligible applicants** – The program is open only to those local governments activated for DRFA for the Monsoon Trough. Refer to activations summary <https://www.qra.qld.gov.au/activations>.

**Eligible projects** – restoration of essential water or sewerage infrastructure that is:

- owned and operated by the local government
- ineligible for DRFA Category B reconstruction funding, as the service fee charged is at a rate that is more than 50% of the cost to provide the service
- damaged as a direct result of the Monsoon Trough and supported by evidence demonstrating the event damage to the asset.

**Eligible works:**

- works required to repair event damage not covered by insurance
- works required to restore the asset to its pre-disaster function.

Only the actual eligible cost up to the capped approved amount, and directly associated with delivering the approved works is eligible for reimbursement. Applicants are responsible for all ineligible costs and costs incurred above the approved amount delivering the approved works.

**Eligible costs:**

- local government labour and plant costs directly associated with delivering the eligible works
- extraordinary wages such as overtime, additional allowances
- plant operating consumables
- contractor and hire costs
- materials

**Ineligible costs:**

- non-specific indirect and overhead costs
- profit margins of applicant including (but not limited to) the applicant's supply or use of plant, labour or materials
- costs that are reimbursable under other funding sources including business continuity and insurance
- costs associated with the preparation, reporting and acquittal of DRFA submissions
- costs associated with assessing an asset when no event damage is identified
- rehabilitation of natural ecosystems
- costs of works completed prior to the Monsoon Trough.

## 6. Application requirements

**Expression of interest:**

Applicants will complete an EOI for proposed projects. EOI details must include:

- asset title
- accurate GPS locations of the damaged asset
- description of damage to the asset caused by the Monsoon Trough
- estimate of cost or schedule of rates for proposed restoration works to restore the asset to pre-disaster function, or the actual cost of works where works have been completed
- project timeframes (proposed or actual commencement date, duration or completion date)
- project benefits to the community
- applicant's project priority.

For priority, completed or shovel ready projects, additional information can be supplied with the EOI to accelerate assessment and approval.

### **To submit an EOI**

Go to the QRA MARS portal.

<https://recovery.qldra.org.au/auth/login?returnUrl=%2Fhome%2Fwelcome>

Select EOI from the drop down list, complete the required fields.

QRA will review Eoi against the criteria and advise applicants of projects identified for further scoping and consideration.

### **Detailed submissions**

Applicants will be required to provide detailed submissions for identified projects, including:

- supporting evidence demonstrating the event damage to the asset / asset components i.e. inspection reports, post event visual photographs (JPEG including EXIF metadata and GPS coordinates, date taken) or video footage
- where works are not yet complete:
  - description of proposed restoration works to restore the asset to pre-disaster function
  - plans or drawings where applicable
  - cost breakdown supporting the estimated cost of works
- where works are completed:
  - details of the actual works
  - evidence of costs supported by a detailed general ledger / payroll report
  - post completion photographs.
  - Invoices must be available for sampling by QRA.

## **7. Assessment and approval**

QRA will assess projects against the Program objectives and eligibility criteria.

As a capped funding program, funding will be prioritised to projects based on the criticality of the infrastructure and overall extent of network damage.

## **8. Approved projects:**

### **Progress reporting and progress claims**

Monthly progress reporting is mandatory throughout project delivery, to ensure applicants update QRA on status of works, dates and expenditure. Monthly progress reports are prepared in the QRA Progress Report Form and lodged through the MARS Reporting Portal detailing:

- actual expenditure reported against the approved capped amount
- percentage of scope of works completed
- project milestones, start and finish dates
- any variances in scope, cost or time
- details of complementary works.

Once actual expenditure has exceeded the initial submission advance, applicants can progressively claim expenditure incurred up to 90 per cent of the approved capped value or the Estimated Final Cost, whichever is the lowest.

Claims for expenditure must be lodged with a progress report, a general ledger or transaction report (or similar financial document produced from the applicant's financial system) demonstrating the actual expenditure incurred against the Recommended Value of the approved scope of works.

Project acquittal reports must include:

- final progress report detailing the completed approved works
- final actual costs reported against the approved capped amount
- detailed general ledger evidencing the final actual expenditure claimed. Supporting source documents must be available for sampling by QRA if requested
- evidence demonstrating the completed works - (JPG including EXIF metadata, GPS coordinates and date taken) typical of the work that has been completed.

## 9. Governance

### 9.1 Acknowledgment of joint State and Australian Government assistance

Public acknowledgement of joint Commonwealth and State DRFA assistance is required under Section 5.2 of the Commonwealth Guidelines available at:

[www.disasterassist.gov.au/Documents/Natural-Disaster-Relief-and-Recovery-Arrangements/disaster-recovery-funding-arrangements-2018.pdf](http://www.disasterassist.gov.au/Documents/Natural-Disaster-Relief-and-Recovery-Arrangements/disaster-recovery-funding-arrangements-2018.pdf).

The announcement of an eligible measure/s will occur as a joint media statement unless otherwise agreed by the Commonwealth.

In addition, prior agreement must be reached with the Commonwealth on the nature and content of any subsequent events, announcements, promotional material or publicity relating to an eligible measure under the arrangements. This includes but is not limited to: media releases, events, social media, signage and advertising.

As the program is being delivered, the Lead Agency will identify announcement, progress and finalisation of program media opportunities. The Lead Agency will communicate these opportunities to Queensland Reconstruction Authority, which will advise Emergency Management Australia.

Each Lead Agency is responsible for organisation and drafting of media events and associated materials. Queensland Reconstruction Authority (QRA) will oversee approval of these media events and associated materials for government agencies, councils and not-for-profits, in consultation with Emergency Management Australia.

All media events and materials (initial and subsequent) must adhere to the Commonwealth's 2018 Disaster Recovery Funding Arrangements (DRFA) Public Acknowledgement Guidelines.

The Australian Government must be notified in writing where there is an intention to undertake approved Category D Water and sewerage infrastructure projects. This notification is undertaken by QRA through quarterly DRFA reporting to the Australian Government.

### 9.2 Administration

As the lead agency responsible for overarching administration of the DRFA, QRA will work closely with state and local government partners to deliver value for money and best practice expenditure and acquittal of DRFA funds within disaster-affected communities.

This includes working closely with those State agencies acting as a Delivery Agency of a Category C or D package component to ensure DRFA requirements are met.

### 9.3 Assurance Activities

Agencies/applicants may be required to provide documentation to support any assurance activities. These assurance activities may include, but are not limited to:

- audit
- site inspections
- obtaining relevant documentary evidence to support estimated reconstruction costs and or value for money assessments

- verification reviews on measures or projects.

#### **9.4 Certification**

All submissions, including progress reports, must be certified by the agency/applicant in line with its delegations.

#### **9.5 Goods and Services Tax (GST)**

When claiming reimbursement of expenditure the amount to be lodged must be the GST exclusive actual cost incurred.

#### **9.6 Funding Agreement**

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

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.

#### **9.7 Procurement**

The procurement of goods or services must be in accordance with the relevant agency's procurement policy. When procuring goods or services local governments must align with the Local Government Act 2009 and the Local Government Regulation 2012 and their own procurement policy. State government agencies must comply with the Queensland Procurement Policy.

If expenditure is in breach of the applicant's procurement standards, reimbursement of these costs are unable to be sought under the DRFA.

#### **9.8 Record Keeping**

All agencies must keep an accurate audit trail. DRFA records must be available for seven years from the end of the financial year the claim is acquitted by the Australian Government. For assurance purposes, the Australian Government may at any time, via QRA, request documentation from agencies to evidence the State's compliance with any aspect of the DRFA. This may include, but not be limited to access to project level information, to confirm acquittal in accordance with the DRFA.