

# 2019 Queensland Bushfires Local Economic Recovery Program Guidelines

The Local Economic Recovery Program is jointly funded by the Australian and Queensland governments under Category D of the Disaster Recovery Funding Arrangements to support the recovery of the communities most heavily impacted by the Queensland Bushfires, September - December 2019 disaster event.



**Queensland Government**



**Australian Government**

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# 2019 Queensland Bushfires Local Economic Recovery Program

<b>Program Description</b>	The 2019 Queensland Bushfires Local Economic Recovery Program supports projects that contribute to local and regional economic and/or social recovery of the communities most heavily impacted by the Queensland Bushfires, September - December 2019 disaster event, and reduce the impact of future events on the community.
<b>Available Funding</b>	\$36.8 million
<b>Eligible Applicants</b>	Local governments and state agencies are eligible to apply for projects within the areas of Bundaberg Regional Council, Gladstone Regional Council, Gympie Regional Council, Ipswich City Council, Livingstone Shire Council, Lockyer Valley Regional Council, Mareeba Shire Council, Noosa Shire Council, Scenic Rim Regional Council, Somerset Regional Council, Southern Downs Regional Council, Sunshine Coast Regional Council and Toowoomba Regional Council
<b>Administered by</b>	Queensland Reconstruction Authority (QRA)
<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

- 1.1. The Local Economic Recovery Program provides joint Commonwealth-State financial assistance for 2019-20 bushfire local and regional recovery projects – including initiatives across economic, social, built and natural environment recovery domains – that produce enduring benefits for the most severely affected communities and improve future resilience.

## 2. Objectives

- 2.1. The Local Economic Recovery Program (the Program) supports projects that contribute to local and regional economic and/or social recovery of the communities most heavily impacted by the Queensland Bushfires, September - December 2019 disaster event, and reduce the impact of future events on the community.
- 2.2. The Program also contributes to the objectives of the Queensland Strategy for Disaster Resilience (QSDR):
  - Queenslanders understand their disaster risk
  - Strengthened disaster risk management
  - Queenslanders are invested in disaster risk reduction
  - Continuous improvement in disaster preparedness, response and recovery.

## 3. Timeframes

- 3.1. Key dates:
  - Expressions of Interest (EoI) due to QRA by close of business **Monday 7 September 2020**
  - Approved projects to be completed by **30 June 2022**
  - Project close out reports due to QRA within three months of completing the project, and by no later than **30 September 2022**.
- 3.2. QRA may, at its discretion, consider projects submitted prior to the EoI due date, or call for new applications after the EoI due date if required to fully allocate the program.

## 4. Funding

- 4.1. A total of \$36.8 million is available under this program, funded under Category D of the Disaster Recovery Funding Arrangements (DRFA).
- 4.2. Program funding is approved as a capped amount to an approved project. Only the actual eligible cost, up to the capped amount and directly associated with delivering the approved project works, is eligible for reimbursement.
- 4.3. **An upper-limit of \$5 million in funding will apply to a single project. However, projects of national significance will be exempt from the \$5 million upper limit.**
- 4.4. All applicants are required to make a financial contribution towards each project.

## 5. Eligibility criteria

- 5.1. Eligible applicants include Local governments and State agencies undertaking projects in the following areas:
  1. Bundaberg Regional Council
  2. Gladstone Regional Council
  3. Gympie Regional Council
  4. Ipswich City Council
  5. Livingstone Shire Council
  6. Lockyer Valley Regional Council
  7. Mareeba Shire Council
  8. Noosa Shire Council
  9. Scenic Rim Regional Council
  10. Somerset Regional Council
  11. Southern Downs Regional Council
  12. Sunshine Coast Regional Council
  13. Toowoomba Regional Council
- 5.2. Proposed projects must address the Program objectives, eligibility criteria, applicant contribution requirement, and timeframes.

### Eligible projects

- 5.3. Eligible project categories include:
  1. **Enabling infrastructure** - New infrastructure and functionality enhancements or upgrades to existing infrastructure.
  2. **Industry and business development** - Entrepreneurship and innovation, business retention, development of regional specialisations, economic diversification, expansion and attraction, capacity building, workforce participation support, skills development, small business development, and local and regional industry networks.
  3. **Social development** - Community development and wellbeing, social support or social development initiatives.
  4. **Natural environment and resource development** - Natural resource restoration and environmental improvement initiatives.
  5. **Built environment adaptation** - Disaster risk reduction through adapting the built environment to future climate and natural hazard conditions, including betterment.

### Ineligible projects

- 5.4. Examples of ineligible projects include:
  - Project works or activities already approved for funding under another program (e.g. funding is already committed under another Commonwealth or State funding program), or is funded from insurance
  - A project that only requires the purchase of land
  - Projects that require ongoing or recurrent funding to succeed or deliver benefits, where there is no commitment to provide that funding.

### Eligible costs

- 5.5. Eligible costs must be directly related to delivering the approved project and may include:
- local government labour and plant costs directly associated with delivering the eligible project
  - extraordinary administrative costs, such as overtime, additional allowances (travel and accommodation)
  - extraordinary project management, design, supervision and inspection/superintendent costs to deliver the approved project
  - plant and labour hire costs
  - materials.

### Ineligible costs

- 5.6. Ineligible costs may include, but are not limited to:
- 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 of works and activities that are reimbursable under other funding sources, including insurance
  - costs associated with the preparation, reporting and acquittal of DRFA submissions;
  - costs of works completed prior to approval of the project
  - business-as-usual operational costs and expenditure, including core business responsibilities and ordinary wages and plant costs of state government agencies
  - legal costs
  - in-kind contributions
  - cash prizes or commercial gifts
  - duplication of existing initiatives
  - purchase of core business capital equipment such as office equipment, plant
  - ongoing costs for administration, operation or maintenance.

## 6. Application requirements

### Expressions of interest (Eoi)

- 6.1. Eois can be lodged via email to [submissions@gra.qld.gov.au](mailto:submissions@gra.qld.gov.au). Applicants may lodge more than one Eoi. The Eoi should contain details of the proposed project, including:
- project name
  - project description
  - socio-economic benefits of project
  - accurate GPS locations of proposed site/s
  - requested funding
  - applicant contribution
  - estimated total project cost
  - proposed project start date and approximate project duration, and
  - (if applicants are lodging more than one Eoi) applicant's project priority.
- 6.2. For any priority or shovel ready projects, additional information can be supplied on the Eoi form for possible acceleration of the assessment and approval process.
- 6.3. The QRA will review Eois and advise applicants of projects identified for further scoping and consideration.

## Detailed submissions

- 6.4. Applicants will be required to prepare and lodge detailed submissions for identified projects, including:
- a completed project application
  - supporting evidence including preliminary or detailed designs (infrastructure projects), options analysis, cost benefit analysis, resilience outcomes, results of investigation/consultation and project plan.

## 7. Assessment

- 7.1. QRA will assess detailed submissions against the Program objectives, eligibility criteria and the following criteria:
- **Balance and need** - Diverse local and regional recovery needs are balanced, effort and funding duplication is avoided, vulnerable groups/diverse populations are supported, and unintended consequences are minimised (for example, adverse impacts on another region's economy or for a particular business, or adverse impacts on vulnerable groups).
  - **Alignment** - Projects align to and support medium-long term economic and social recovery needs identified in event-specific Recovery Plans (if applicable) and are consistent with relevant state and national policy frameworks, including the National Disaster Risk Reduction Framework, the National Strategy for Disaster Resilience and the Queensland Strategy for Disaster Resilience.
  - **Enduring benefit** - Local and regional recovery is tangible, sustainable (i.e. delivers ongoing benefits and employment opportunities), builds future resilience, and reduces future disaster risk.
  - **Funding stream suitability** - Suitability of funding stream and consideration of possible alternative funding sources.
  - **Local participation, support and delivery** - Communities participate in planning and development processes, and support proposed projects. Projects optimise local and Indigenous employment and procurement opportunities, including opportunities for local trades, services and other input-supplying businesses.
  - **Evidence base** - Demonstrated need for, and benefits of, the project. Evidence base may be quantitative or qualitative, such as local and regional advice.
  - **Feasibility** - Projects are feasible. Risks and consequences are acceptable, and appropriate mitigation strategies are identified. Project proponents can demonstrate delivery capacity and experience, and project readiness supports commencement within program timeframes. Cost is an effective, efficient and ethical use of resources.
- 7.2. **As a capped funding program, funding will be prioritised to projects based on the applicant's cost benefit analysis and economic recovery outcomes.**

## 8. Approved projects

### Detailed design review

- 8.1. Where there are material changes following detailed design and procurement, applicants must provide QRA with updated project information.

## **Progress reporting and progress claims**

- 8.2. Monthly progress reporting is mandatory throughout project delivery, to ensure applicants update QRA on status of works, dates and expenditure. Monthly progress reports are created and lodged through QRA's Monitoring and Reporting System (MARS) Portal, detailing:
- actual expenditure reported against the approved capped amount
  - percentage of scope of works completed
  - delivery against project milestones
  - any variances in scope, cost or time
  - details of complementary works.
- 8.3. Once actual expenditure has exceeded the initial submission advance of 30 per cent, 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.
- 8.4. 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 report**

- 8.5. Project acquittal reports must include:
- final progress report detailing the completed approved works activities against the approved project
  - final actual costs reported against the approved capped amount
  - detailed general ledger evidencing the final actual expenditure claimed, with supporting source documents to be made available for sampling by QRA if requested
  - evidence demonstrating the completed works/activities –
    - Infrastructure projects: JPG including EXIF metadata, GPS coordinates and date taken) typical of the work that has been completed
    - Activity projects: Report document supporting the completed approved activity.
- 8.6. Acquittals must be certified by the Accountable Officer on lodgement.

## **9. Governance**

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

- 9.1. 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).
- 9.2. The announcement of an eligible measure/s will occur as a joint media statement unless otherwise agreed by the Commonwealth.
- 9.3. 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.
- 9.4. As the program is being delivered, the applicant will identify announcement, progress and finalisation of program media opportunities. The applicant will communicate these opportunities to the QRA, which will advise Emergency Management Australia and the National Bushfire Recovery Agency.

- 9.5. Each applicant is responsible for organising and drafting of media events and associated materials. QRA will oversee approval of these media events and associated materials for government agencies and councils, in consultation with Emergency Management Australia and the National Bushfire Recovery Agency.
- 9.6. All media events and materials (initial and subsequent) must adhere to the Australian Government's 2018 Disaster Recovery Funding Arrangements (DRFA) Public Acknowledgement Guidelines.

### **Assurance activities**

- 9.7. 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 visits or inspections
  - obtaining relevant documentary evidence to support estimated reconstruction costs and/or value for money assessments
  - verification reviews on measures or projects.

### **Certification**

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

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

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

### **Funding Agreement**

- 9.10. It is a requirement that all recipients of QRA funding enter into a Head Agreement with QRA.
- 9.11. 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.
- 9.12. 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.

### **Procurement**

- 9.13. The procurement of goods or services must be in accordance with the applicant's procurement policy. When procuring goods or services, local governments must act in accordance 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.
- 9.14. If expenditure is in breach of the applicant's procurement standards, reimbursement of these costs are unable to be sought under the DRFA.

### **Record keeping**

- 9.15. 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.