

# REGIONAL GROWTH FUND 2018-19

## Frequently Asked Questions

### What is the Regional Growth Fund?

The \$150 million Regional Growth Fund's purpose is to facilitate new economic activity and build and strengthen communities for regional South Australia.

The Fund provides opportunities to leverage government and private funding to deliver critical economic infrastructure designed to create direct economic benefits across industries or multiple entities in regional South Australia.

Valuable projects will include those committed to employing local people and sourcing products and services from local suppliers, and to fostering collaboration. Projects that seek to leverage funds from non-State Government sources will also be looked on favourably.

Applicants will be required to demonstrate that their project or activity:

- supports new economic activity that would not otherwise occur
- can be sustained without further intervention by government after funding has been provided
- creates benefits for multiple entities, including entities not directly associated with the application
- contributes to the scale of an industry or sector
- reduces the cost of doing business
- demonstrates your connection to, and vested interest in, the regional South Australian community where your project or activity will be based.

### How do I get a copy of the guidelines and the application form?

The PIRSA website contains a guide to applying, and a link to the online application form. Visit [www.pir.sa.gov.au/regionalgrowthfund](http://www.pir.sa.gov.au/regionalgrowthfund)

### What is available?

Up to \$5 million per year will be available through a single competitive round. The 2018-19 round is open from 2 July 2018 until 5pm 31 August 2018.

Funding will be available to applicants providing at least a \$1 for \$1 contribution with funding available in a range from \$50,000 to a maximum of \$2 million.

If an applicant is a local government body, and scores highly on other criteria, a financial contribution which is less than \$1 for \$1 will be considered.

Any unspent funds from the \$5 million competitive process along with the additional \$10 million for 2018-19 will be available for strategic projects.



## **Who is eligible to apply for the Regional Growth Fund?**

Eligible organisations include:

- Local government bodies
- Incorporated associations
- Business clusters (the lead business needs to apply and accept responsibility for contractual obligations).

## **What are the eligibility requirements?**

Eligible organisations must:

- be legal entities, i.e. with which the Government of South Australia can enter into a legally binding funding agreement. PIRSA may require third parties who have a significant financial interest in the project (for example, parent companies or landowners) to be a party to the Funding Deed.
- have an Australian Business Number, and be registered for GST.
- demonstrate the availability of project funding required to complete the project, exclusive of in-kind contributions (funding from other State Government sources will not be considered as part of the leveraged funds).
- have the project located within regional South Australia.

Maps of the South Australian government regions are available here:

<https://www.sa.gov.au/topics/planning-and-property/planning-and-land-management/land-supply-and-planning-system>

## **What is an eligible project?**

Examples of eligible projects may include:

- power infrastructure e.g. solar, wind, biowaste
- community infrastructure
- innovation
- branding and marketing associated with higher-value markets
- mobile and internet connectivity
- regional ports and airports
- efficient water infrastructure
- telecommunications
- regional roads (non-government owned)
- bridges
- weather stations.

## **What is an ineligible project?**

- projects undertaken on behalf of third parties
- the purchase of land or a business
- requests for retrospective funding, where projects have been completed or have commenced prior to the application being approved by the Minister
- projects relating primarily to operational expenditure, including but not limited to regular repairs and maintenance
- costs associated with upgrading non-fixed equipment, or relate to administrative or running costs that are normally the responsibility of businesses, state or territory agencies or local councils
- projects that require ongoing recurrent State Government funding
- feasibility studies, business cases and reports where they do not form part of an established and broader project that meets the Fund's objectives
- costs associated with the preparation of the application and project management fees and costs
- human resources (i.e. grant funding will not be provided to meet internal staffing costs)
- projects that have already received assistance from the Regional Growth Fund or other relevant grant funds to achieve the same project outcomes.

## **APPLICATION PROCESS**

### **What is the application process?**

Applicants complete the application form online. This application is submitted to PIRSA with supporting documents.

Applications will be assessed by an independently chaired panel, which will make recommendations to the Minister for Primary Industries and Regional Development.

Successful applicants will be invited to enter into a legal contract with the Minister for Primary Industries and Regional Development.

### **It's the end of the financial year and my accountant is very busy, do I have to send detailed financial statements now or can we delay it?**

Please send as much information as you can. It is recommended you provide your financial statements for the organisation for the past three years (Profit & Loss Statement, Balance Sheet, Depreciation Schedule, etc.) to assist the application assessment process.

### **Can a university, school, TAFE apply for funding?**

If it is an eligible organisation.

### **Can a community club apply for funding?**

If it is an eligible organisation.

### **We are based in the metropolitan Adelaide; can we apply?**

If it is an eligible organisation and can demonstrate that the project creates direct economic benefits across industries or multiple businesses or users in regional South Australia.

### **What is meant by a 'business cluster'?**

A group of two or more non-associated organisations willing to financially commit to a project.

### **What are the responsibilities of cluster members?**

The lead organisation will be responsible for entering into a legally binding funding agreement. Cluster members are required to provide a letter of commitment including co-contribution information.

### **Can I apply for more than one project, which together meet the funding threshold?**

Your project may include a number of strategically linked projects which together form a Package of Works that will deliver sustainable economic benefits to a region or regions and does not require ongoing State Government funding.

### **Can a project be in multiple locations?**

Your project may include multiple site locations but must be located in regional South Australia and demonstrate the project will deliver economic benefits to a region or regions.

### **Can I apply even if I have not yet secured funding from my bank/financial institution?**

You need to demonstrate that you have the capacity to complete the project, with preference given to applications able to demonstrate they will commence within three months of the grant being approved.

If any project costs are to be met by borrowing additional funds, please provide a copy of the letter of offer from your financial institution.

### **Can I apply if I have no finalised architects' drawings or development approval yet?**

In your application you should supply the latest version of the architect/engineering plans for the project with the final costings. Where appropriate, please supply letters / documentation confirming relevant planning approvals are in place or progressing.

Preference will be given to projects that commence within three months of approval.

### **When will I find out if the application has been successful?**

It will take approximately 12 weeks from the time applications close to when you will learn the outcome of your application.

Please note, the number of applications and their levels of complexity may result in a longer assessment period. We ask you to be patient. You will be notified of any change in the status of your application.

### **If am successful, what happens next?**

You will be contacted by PIRSA by email.

Details regarding the funding deed and ways to promote and launch your project in conjunction with the Minister for Primary Industries and Regional Development will be provided to you.

### **If I am rejected after the initial round, can I reapply when I have more information for the same project?**

There will be future competitive funding rounds in subsequent years. Alternatively, you can instead apply to the Strategic Pool of the Fund.

## **ASSESSMENT**

### **How will my application for the competitive funding round be assessed?**

Applications will be assessed on a competitive basis against the Fund's criteria, and on the extent to which they demonstrate a commitment to employing locally, local investment and local supplier inputs.

Applications will be assessed by a three-member panel, which will include an independent chair.

The panel will consider applications and submit its advice through PIRSA to the Minister for Primary Industries and Regional Development for consideration.

Applications will undergo comprehensive due diligence by PIRSA to determine the applicant's financial capability and the project's commercial feasibility.

Assessment of criteria will be weighted to ensure projects are prioritised against the Fund's key principles.

The assessment will also consider whether a project, or elements of a project, are more appropriately funded by other State, Commonwealth and/or Local Government or industry sources.

<b>Regional Growth Fund Competitive Round 2018 - 2019: Indicative Timeline</b>	
<b>Regional Growth Fund announced</b>	23 June 2018
<b>Applications open</b>	2 July
<b>Applications close</b>	31 August
<b>Application assessment completed</b>	End October
<b>Assessment Panel recommendations presented to the Minister</b>	Mid November
<b>Minister considers recommendations</b>	
<b>Announcement of projects to be funded</b>	End November

### **Against what criteria are applications assessed?**

All applications to the RGF are assessed and prioritised based on how well the project meets the following criteria:

#### **Essential**

- Support for new economic activity that would not occur otherwise
- The activity can be sustained without further intervention by government after the funding is provided
- The activity creates broader economic benefits for the community and multiple entities, including entities not directly associated with the application
- The activity contributes to the scale of an industry or sector
- The application has a connection to, and has vested interest in a specific regional community
- The activity creates sustainable economic benefits to the state or region (e.g. new long-term jobs, investment, higher incomes, etc.)
- The activity reduces the cost of doing business.

#### **Desirable**

Project proposals focussed on enhancing the productive infrastructure to support economic development that drive regions to be long term strong economic contributors, will be considered favourably.

Also considered favourably will be project proposals that:

- leverage funds from non-State Government sources and/or foster collaboration
- demonstrate a commitment to employing locally, local investment and local supplier inputs wherever possible.

### **What does it mean that assessment of criteria will be weighted?**

Assessment of criteria will be weighted to ensure projects are prioritised against the Fund's key principles.

### **What documentation should I supply?**

You may wish to supply additional documentation to assist in evaluation of your proposal.

This information includes:

- **Organisation's Business Plan** incorporating financial projections and assumptions behind the projections (organisation's background, organisation chart, prospectus, annual report)
- **Financial statements for the organisation for the past three years** (Profit & Loss Statement, Balance Sheet, Depreciation Schedule, etc.)
- **Three-year project budget forecasts** (Income/expenditure, Balance Sheet, etc.)
- **Detailed Project Plan** (project outline, project timelines, etc.)
- **Project Feasibility Study if available** (including risk and market information)
- **Quotes from service providers** (confirmation of project costs)
- **Evidence of funding availability for the project** – capacity to match the grant funding (e.g. if any project costs are to be met by borrowing additional funds, please provide a copy of the letter of offer from your financial institution)
- **Letters / documentation confirming relevant planning approvals are in place** (e.g. council development and building approvals)
- **If submitting as a lead organisation for a cluster of businesses** – letters of commitment from participating cluster organisations

### **Do I have to supply information about who my local suppliers are yet or can I wait until I have got more quotes?**

The application should include final quotes from suppliers.

### **Can I be considered for funding if I have received funding from another Government source?**

Funding from other State Government sources will not be considered as part of the leveraged funds, but funding from the Australian Government or local government can be considered as leveraged funds.

Projects that have already received assistance from the Regional Growth Fund or other grant funds to achieve the same project outcomes are ineligible.

### **Is grant funding subject to tax?**

Yes. Before applying for the Regional Growth Fund, applicants should seek advice on tax implications from their tax advisers or the Australian Taxation Office.

### **Can I include in-kind contributions into my financial contribution?**

In-kind contributions are not included in calculating the financial contribution to the project.

### **Can my cluster members be based in another state but have a project happening in South Australia?**

Yes. The project must be located in regional South Australia.

### **Who can assist me with my application?**

Applicants are encouraged to seek the support of PIRSA's Regional Coordinator for their region when developing a project or application.

Adelaide Hills, Fleurieu, Kangaroo Island Barossa, Light and Lower North	Trevor Bennett	0428 543 135
Limestone Coast	Peta Crewe	0427 012 510
Eyre and Western	Karen Hollamby	0459 897 020
Yorke, Mid North & Far North	Angela Ruddenklau	0417 519 228
Murray and Mallee	Barbara-Ann Cowey	0488 951 790

### **If I make a mistake with my application, can I resubmit it?**

To amend a submitted application, the application needs to be withdrawn, with amendments made and the application resubmitted before the closing date.

### **Can I add extra information to my application after the closing date?**

Once the application period has closed, further information cannot be submitted, however PIRSA may contact you to clarify submitted information.

### **What if I am having technical issues with the online form?**

#### **Who can I contact to help me?**

Applicants should avoid submitting applications at the last minute, as high volumes of users can slow the system and may result in difficulties for you in completing your application.

If you are experiencing technical difficulties when trying to submit your application, it is important you seek assistance from PIRSA. For initial assistance please contact PIRSA's Regions SA Grants Manager on 8429 0506.



## **FUNDING ADMINISTRATION**

### **How will the funding be administered?**

PIRSA will negotiate the Schedule of a standard Crown-approved Funding Deed with successful applicants.

### **Is there a legal contract for the funding?**

Yes. Successful applicants will also be required to enter into a standard Crown-approved Funding Agreement with the Minister for Primary Industries and Regional Development in order to receive assistance. The clauses outlined in the standard agreement are not negotiable.

### **What does the Funding Deed commit us to?**

The following conditions will be expected of any financial assistance recipients and include but are not limited to the following:

- complete the project as stated in the application
- meet all key milestones and obligations as defined in the Funding Deed
- seek prior consideration and approval, from the Minister through PIRSA, before making any changes to the project.

### **When do we receive the funding?**

Grant payments are generally made on a reimbursement basis upon completion of milestones set out in the Funding Deed.

Payments are made upon presentation of paid invoices for approved project expenditure, including evidence of eligible applicant contributions.

However, upfront payments can be negotiated for projects approved under the Fund.

Final payments are made on receipt of a final report evidencing project completion.