

# Local Government Grants and Subsidies Program (LGGSP)

**2015-16 Guidelines**

**July 2015**

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# General

## Introduction and aims

The Queensland Government's 2015-16 Local Government Grants and Subsidies Program (LGGSP) is aimed at supporting local governments in the delivery of community, economic and social infrastructure projects.

The 2015-16 program acknowledges that 80% of the State is currently drought declared and that the impact of this widespread drought presents challenges to many communities, one of which is sustaining local employment.

The 2015-16 program therefore has a strong focus on supporting shovel-ready projects which generate local employment and build economic infrastructure.

Funding assistance may be prioritised to applicants able to demonstrate a limited capacity to self-fund a project.

## LGGSP objectives

The objectives of the LGGSP are to support eligible projects that:

- support State and local government priorities with a particular emphasis on job creation
- contribute to building safe, caring and connected communities
- protect natural and built environments
- reduce the vulnerability of communities to flood, drought and natural disasters, and build community resilience
- encourage collaboration and resource sharing between local governments.

## Eligible applicants

Eligible applicants are:

- local government bodies constituted under the *Local Government Act 2009* and the *City of Brisbane Act 2010*
- other entities deemed by the Minister to be an eligible applicant for the purposes of the LGGSP.

## How to apply

Download the 2015-16 LGGSP guidelines and application form at:  
[www.dilgp.qld.gov.au](http://www.dilgp.qld.gov.au).

Submit one (1) application for each project by completing all relevant sections of the application form (including supporting documentation where required) and a certification form.

Note: Scanned PDFs of the application form will not be accepted.

The application form is designed for information to be entered directly into the relevant sections.

Submit each application electronically via email to: [2015-16LGGSP@dilgp.qld.gov.au](mailto:2015-16LGGSP@dilgp.qld.gov.au)

Ensure all sections relevant to the project are completed in the application form and the certification form is completed.

## Key dates

Applications open	<b>14 July 2015</b>
Applications close	<b>25 August 2015</b>
Announcement of successful projects	<b>from early October 2015</b>

All applications must be received by the application closing date to be considered for funding.

## Further information

For more information on the LGGSP, contact the Department of Infrastructure, Local Government and Planning.

<b>Brisbane Office</b>	Phone: 07 3452 6725 Email: <a href="mailto:2015-16LGGSP@dilgp.qld.gov.au">2015-16LGGSP@dilgp.qld.gov.au</a>
<b>Northern Region</b>	Phone: 07 4758 3421
<b>Southern Region</b>	Phone: 07 3452 6762

# Section 1 – Project overview

## 1.1 Eligible projects

Examples of types of eligible projects include:

### **Drought resilience infrastructure**

- works that contribute to improved water quality and reliable water supply in drought declared areas
- rejuvenation of town centres, streetscaping in drought declared areas
- works that contribute economic development of communities in drought declared areas
- watering stations at stock points in drought declared areas
- sealing of aerodrome surfaces in drought declared areas.

### **Water infrastructure**

- source of supply
- treatment works
- rising mains and delivery mains from source of supply to first service reservoir
- upgrades to components of water infrastructure that will reduce operating costs and/or extend the life of existing infrastructure.

### **Sewerage infrastructure**

- treatment works
- nutrient removal works
- disposal of effluent after treatment
- beneficial wastewater re-use after treatment
- disposal and re-use of effluent after treatment
- upgrades to components of sewerage infrastructure that will reduce operating costs and/or extend the life of existing infrastructure.

### **Social and cultural infrastructure**

- community centres, halls, libraries, heritage sites, museums and cultural centres
- modifications to public facilities.

### **Crime prevention and community safety infrastructure**

- monitored security cameras
- lighting in public places
- emergency contact systems.

**Economic development infrastructure**

- business development facilities such as town centres and street scaping
- technology such as internet kiosks and wireless access.

**Tourism infrastructure**

- facilities such as camping grounds, heritage or natural attractions, rest areas and foreshore developments.

**Flood mitigation infrastructure**

- levees
- detention basins
- flood gates
- backflow prevention devices
- relocating electrical components of treatment plants
- monitoring instruments/systems (e.g. flood, river and rain gauges).

Note that these lists should not be interpreted as either prescriptive or comprehensive. Contact the Department if you require clarification on the eligibility of a proposed project and costs.

Projects are required to incorporate the concepts and principles behind the crime prevention through environmental design (CPTED) strategy to reduce crime, enhance community safety and improve liveability (where practical). Further details can be found at: [www.police.qld.gov.au](http://www.police.qld.gov.au)

## 1.2 Assessment criteria

Applications will be assessed against the following criteria and are required to demonstrate that the project:

- meets the 2015-16 LGGSP objectives
- evidences priority need and clear benefits to the community
- is ready to proceed and will be delivered within approved timeframes
- is supported by the local government's commitment to funding ongoing operation, maintenance and replacement costs (where applicable)

Applicants must detail the extent to which the project creates local employment opportunities.

Applications for flood mitigation/disaster management funding are subject to the following additional assessment criteria and are required to demonstrate that the project:

- has been informed by flood management studies, mapping and modelling
- is collaborative and based upon a regional catchment approach and where relevant the considerations of downstream communities has been included
- will consider all options to deliver appropriate mitigation strategies

Applicants must confirm that value for money and whole-of-life cost considerations have informed the investment decision. The following may assist:

- Project decision making framework – Queensland Treasury Corporation at:  
[www.qtc.com.au](http://www.qtc.com.au)

The Department may consult with other agencies in assessing and prioritising the allocation of funding to projects.

## Section 2 – General funding requirements

### 2.1 Ineligible projects

Projects deemed ineligible include:

- work that has already commenced or been completed
- purchase of an asset or works to an asset that will not be owned and/or controlled by the applicant
- purchase of land (e.g. land buy-back schemes)
- road and drainage works
- planning studies
- purchase or leasing of plant, vehicles and equipment.

### 2.2 Eligible costs

Funding is intended only to assist with the direct eligible costs to applicants of an approved project as detailed in the application for funding.

Eligible project costs are the total project costs from the application, less any other funding contributions to the approved project, less any ineligible costs.

### 2.3 Ineligible costs/project components

Ineligible costs/project components include:

- reservoirs holding treated water
- new or replacement reticulation mains
- trunk mains transporting treated water
- water meters
- balance tanks
- reticulation or delivery of sewage to a sewerage treatment facility
- purchase of land
- furnishings
- ongoing operation and maintenance costs or items
- temporary works, except where required as part of the construction of the eligible works
- remuneration of senior executive officers and technical or professional work up to 100 hours on the planning, designing or construction of approved works

Note: Work time additional to 100 hours may be included as part of the project budget. These hours and costs must be detailed in the project application

- general overhead charges relating to the administration of project costs
- official opening expenses (excluding project signage)
- legal expenses.

These lists should not be interpreted as either prescriptive or comprehensive. Contact the Department if you require clarification on the eligibility of the proposed project and costs.

## 2.4 Subsidy rate

Generally, projects approved for funding will be subsidised at a rate of up to 40 per cent of the eligible project costs.

Eligible project costs are the total project cost less any ineligible costs and any other funding contributions to the project. Other funding contributions include: funding from partners, other government funding received or applied for.

Applicants may seek an increased subsidy rate for a project if warranted.

Note that approval of any increased subsidy rate for a project will be at the Minister's discretion.

## Section 3 - General funding conditions

### 3.1 Minister retains rights and powers

The Minister retains all rights and powers to make all decisions and actions that the Minister sees fit in order to achieve the priorities and objectives of the funding program.

The Minister may require funding recipients to provide all such documents or to remedy irregularities, as deemed necessary, to demonstrate the appropriate management and use of State funds.

The Minister may delegate, either generally or in specific cases, the powers and duties of the Minister under this program, where appropriate.

### 3.2 Successful applications

Successful applicants are required to enter into a funding agreement with the Department before commencing the project and making claims for payments.

Further information on funding agreements can be found at the Department's website at: [www.dilgp.qld.gov.au](http://www.dilgp.qld.gov.au).

### 3.3 Funding period

The funding period for an approved project will be a maximum of 12 months from the date of execution of the sub-agreement. Where the applicant considers the complexity of a project may call for a longer funding period, the applicant must satisfactorily demonstrate to the Department that an extended funded period is required. This will be considered on a case by case.

Each project must have a sub-agreement in place within two months of date of funding approval.

Successful applicants must ensure that:

- all project work is completed within the approved funding period
- all final reporting and claims for payment are submitted to the Department within one month of the approved project completion date.

Funding approvals will lapse upon the expiration of the approved funding period, at which point the Department's commitment to the relevant payments will be discharged and unclaimed funding will be forfeited.

## 3.4 Claims for payment

The sub-agreement provides details of the payment schedule for each approved project. Under the LGGSP, funding is administered on a 30:60:10 model.

In particular circumstances, the Department may approve a different payment schedule.

Each claim for payment must be made on the prescribed form, with certification that the works have been completed satisfactorily, and that expenditure of the amount stated has been properly incurred on the work for which funding was approved in accordance with the program guidelines and the funding agreement.

Certification must be made by an appropriately delegated officer of the successful applicant, or other persons as agreed by the Department.

The prescribed form for claiming payments is available on the Department's website at: [www.dilgp.qld.gov.au](http://www.dilgp.qld.gov.au).

## 3.5 Regulatory requirements

Funding approvals and payments are conditional on the funding recipient observing all relevant laws and State or Commonwealth policies. Under the LGGSP, the Queensland Government provides funding assistance only and does not relieve a funding recipient from:

- performing or observing all conditions and duties that may apply to the works under any Act, Law or Regulation
- having due regard to any relevant State or Commonwealth policies
- approval of funding does not imply that any necessary licences or approvals will be granted, or that agencies will make favourable policy decisions. Funding recipients must independently obtain all necessary permits, licences, consents, or a clear statement of requirements, from relevant parties prior to commencement of projects
- following completion of an approved project, the funding recipient must independently obtain all relevant approvals and certifications as required by any Acts, Laws or Regulations
- where licences cannot be obtained prior to completion, the final 10 per cent of the approved assistance may be withheld until licences are obtained.

## 3.6 Third party contributions

Applicants may seek funding contributions for the proposed project from other sources.

## 3.7 Approval prior to commencement of works

Prior to commencing works on a project where funding has been approved, funding recipients must:

- obtain confirmation of Queensland Government funding approval for the project
- enter into a sub-agreement for the approved funding with the Department.

Works are considered to have commenced once:

- actions incurring physical changes to a proposed project site have been instigated
- the funding recipient enters into a contract or tender for the project.

## 3.8 Forecasts of cash flows

Funding recipients are required to provide forecasts of cash flows and milestones at the time of executing the funding agreement for a project. This will align with the project plan and indicate dates when payment claims are expected to be lodged with the Department.

Should project expenditures or timeframes vary following commencement, the funding recipient must provide updated cash flow forecasts and revised project timeframes to the department within 10 working days of these variances being identified.

## 3.9 Project costs

State funding assistance is intended only to assist with the direct eligible costs of approved projects, as detailed in the application for funding.

## 3.10 Roles and responsibilities

The Head Agreement clearly specifies the roles and responsibilities of the parties in relation to the funding allocated.

## 3.11 Extensions of time

In exceptional circumstances, the Minister or delegate may approve a request for an extension of time to complete a project. Any request for an extension of time should be submitted as soon as practical and at least two months prior to the approved project completion date.

## 3.12 Suspension of works

Where project works have been delayed for any reason, the funding recipient must immediately notify the relevant contact officer in the Department, as specified in the funding agreement, indicating reasons for the delay and the anticipated date of recommencement of works.

### 3.13 Incomplete projects

Where a funding recipient determines that work on a project will cease and will not be completed, the funding recipient may be required to repay all or part of the financial assistance received as outlined in the funding agreement executed for the project.

### 3.14 Retention money

Retention money held by the funding recipient may be included as part of the final project costs when submitting a certified claim for final payment.

### 3.15 Rights to site inspections

The Minister, or any person/s authorised by the Minister, may inspect the site of any project prior to, during and/or after completion of works.

All reasonable requests by the Minister or by authorised person/s for access to the site of an approved project must be complied with by the funding recipient.

### 3.16 Acknowledgment of the funding

Funding recipients must acknowledge the contributions of the Queensland Government funding. For capital works projects, this may include:

- erection of signage at construction sites
- placement of a plaque or sign once construction is finished
- acknowledgement in publicly made statements, or appropriate documentation.

Further information on acknowledgement requirements, including the use of the Queensland Government logo, can be found within the funding agreements for each funding program.

### 3.17 Reporting and evaluation

Funding recipients must submit project progress reports and post completion reports and the results of the project evaluation to the Department.

If a funding recipient does not comply with these requirements for an approved project, the final 10 per cent of the approved funding may be withheld until all relevant reporting is submitted to the Department.

### 3.18 Privacy and confidentiality

The use and disclosure of information provided by applicants for the program is regulated by the relevant provisions and penalties of the *Right to Information Act 2009* and the *Information Privacy Act 2009* and the general laws of the State of Queensland.

The information contained in applications will be regarded as private and confidential and will be treated as such by the Department. This is subject to the operational need to provide applications to assessors, and any statutory or legal requirements to provide

information to the Parliament and other organisations, for audit, law enforcement, investigative or other purpose.

As part of the assessment of an application, the Department may need to consult with, and provide material from the application to, other government agencies or bodies, other organisations and/or relevant individuals, in order to substantiate any claims or statements made in the application form, or to otherwise assist in the assessment of the application. If this occurs, the Department will endeavour to ensure that the parties who are consulted observe appropriate confidentiality provisions.

Following approval of an application, the broad details of an application (e.g. the identity of the successful applicant, the funding amount awarded, and a brief description of the project) may be disclosed by the Department for purposes such as promoting the program and reporting on the program's operation and policy development.

## Section 4 – Glossary

assistance	a monetary allocation under the LGGSP approved by the Minister provided to assist to conduct approved projects
approved or approval	the approval by the Minister or Executive Council
approval date	the date which a proposed project receives approval by the Minister or Executive Council
approved applicant	a council or other entity for whom funding is approved by the Minister under a specified program
authorised person	an officer or employee of a government department or other person authorised by the Minister to perform a specific function or duty
capital works	works of a lasting nature to be used by or to provide services to people. The term where necessary includes land, buildings, major items of plant, machinery or other equipment, but does not include component replacement or periodic maintenance
chief executive officer	the head of an organisation
council or councils	a local government body
department	the State government department responsible for administering the local government portfolio, unless otherwise explicitly stated. At the time of publishing these guidelines this is the Department of Infrastructure, Local Government and Planning
eligible project costs	eligible project costs equals the total project costs as per application/approval: <ul style="list-style-type: none"> <li>• less any other contributions to the approved project and/or</li> <li>• less any ineligible costs</li> </ul>
extension of time	the approval by the Minister or his delegate of additional time in which the funding recipient can complete the approved project
forfeited	the discharging of a commitment to provide funding assistance to an approved project
funding agreement	a head of agreement and sub-agreement forms the formal funding arrangement between the recipient and the department for the project
funding period	up to a 12 month period unless negotiated otherwise
funding recipient or recipient	an eligible organisation in receipt of a grant/subsidy for an approved project
in-kind contribution	consists either of the direct provision of a tangible asset to the infrastructure or of expenditure incurred directly which benefits the infrastructure. Includes goods, use of services and facilities, professional services or expertise in the form of staff time, provision of or access to equipment, special materials other than those defined as eligible costs in these guidelines
Minister	the Queensland Government Minister responsible for the local government portfolio
prescribed form	a form issued by the department
project	a discrete set of activities, producing a defined range of infrastructure or other defined outputs, within a specified timeframe
project completion date	12 months from the date of execution of the sub-agreement or the approved extension of time date
retention money	is money held by the funding recipient to ensure that a contractor makes good any defects identified following completion of the project, as per the agreed contract
round	the period of time where requests for funding applications are open to applicants
sub-agreement	a sub-agreement that forms part of the formal funding agreement executed by the funding recipient and the department providing details of the funding approved, approved project and conditions related to the specific funding program
tender	means an offer specifying prices, costs and other details under which a person will enter into a contract with an approved applicant
third party contributions	funding contributions to the project received from other sources e.g. other State agencies, Australian Government or the private sector
total project costs	those costs that are directly attributable to the proposed project as at the time of application or approval