

Local Government Grants and Subsidies Program (LGGSP)

2014-15 Local Government Floods Response Subsidy

Guidelines

March 2014

The Department of Local Government, Community Recovery and Resilience leads a coordinated Queensland Government approach to delivering short and long-term solutions for strong local government.

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An electronic copy of this report is available on the Department of Local Government, Community Recovery and Resilience website at www.dlgcrr.qld.gov.au To obtain a printed copy of this report, please contact us via the contact details provided at the end of this report.

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Introduction

The Queensland Government has committed \$40 million over three years, commencing in 2012-13, to assist Queensland councils in implementing relevant recommendations of the Queensland Floods Commission of Inquiry (Floods Commission).

This funding commitment, the Local Government Floods Response Subsidy (LGFRS), is administered by the Department of Local Government, Community Recovery and Resilience (the department) as a component of the Local Government Grants and Subsidies Program.

In 2014-15, the Government is providing a joint application package to provide a single point for application and assessment for disaster mitigation and resilience funding administered by the State. The 2014-15 LGFRS is being delivered as part of this joint application package.

The joint application package also includes the Natural Disaster Resilience Program and the Royalties for Regions program. Both these programs provide dedicated funding for local governments toward flood mitigation and resilience projects.

State funding priorities in 2014-15

The Queensland Plan (the Plan) is being developed with the intention of aligning government, business, industry, communities and individuals in working together to achieve real outcomes for the State. Applications under this funding program need to align with the relevant foundation areas and goals of the Plan as well as the guiding principles of the *Queensland Strategy for Disaster Resilience*.

In 2014-15, the State's priorities for flood mitigation funding are to support:

- projects that are supported and informed by the Queensland Flood Mapping Program and/or a completed flood management study and where relevant, consider the potential impact of communities downstream
- projects that will achieve improved infrastructure and flood resilience outcomes (such as levees and detention basins) that protect people and property, and essential services such as water and sewerage treatment plants, hospitals and major transport facilities such as airports
- projects that reflect the needs of the catchment as a whole and provide evidence that they have been developed collaboratively across relevant councils or other organisations
- flood mitigation projects that address outstanding needs from the events of 2010-11 and January 2013
- projects that are ready to proceed and can be delivered within the timeframe.

LGFRS aims

The LGFRS aims to:

- assist Queensland councils in implementing relevant recommendations of the Floods Commission
- support delivery of improved flood infrastructure and resilience for the community and achieve mitigation outcomes
- target funding to meet the State's flood mitigation and resilience funding priorities.

LGFRS objectives

The objectives of the LGFRS are to support:

- flood mitigation projects highlighted as a priority following the impact of the January 2013 disaster event on Queensland communities and infrastructure, as well as unaddressed needs identified following the events of 2010-11
- councils to identify, manage and respond to future flood risks through flood management studies, modelling and flood mapping
- councils to deliver key flood mitigation infrastructure projects, such as levees and detention basins to protect lives, property and essential infrastructure, that are informed by a completed flood management study which incorporates consideration of the potential impact of the project on communities downstream
- projects that have been developed collaboratively by councils to address flood mitigation needs on a river catchment basis.

Funding

A total of \$12.8 million in LGFRS funding is allocated in the 2014-15 financial year to subsidise delivery of flood mitigation projects.

Applying for funding

Eligibility

Eligible applicants

Eligible applicants under the LGFRS are local government bodies constituted under the *Local Government Act 2009* and the *City of Brisbane Act 2010*

Other entities may be deemed by the Minister as an eligible applicant for the purposes of the LGFRS.

Eligible projects

Under the LGFRS, proposed projects must demonstrate a clear link to recommendations of the Floods Commission and meet the State's funding priorities.

Eligible flood mitigation projects include:

- flood mapping, flood management studies, reports, modelling and flood mapping in areas of identified need
- infrastructure, such as levees, detention basins, floodgates, backflow prevention devices, that mitigates against flood damage and inundation in areas of identified need, and is informed by a completed flood management study which incorporates consideration of the potential impact on other communities within the catchment.

Ineligible projects

Under the LGFRS ineligible projects include:

- early flood warning systems.

Eligible costs

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

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

Program funding may be used for the following:

- remuneration costs for technical or professional work time over and above 100 hours (excluding executive duties) on the planning, designing or construction (including technical supervision) of approved works
- the cost of administrative staff specifically engaged for the project, but does not include any portion of the remuneration of any other clerical or administrative staff of the council, or general overhead charges.

These costs must be detailed in the application for funding.

Ineligible costs

LGFRS applications must exclude costs not directly associated with the project. Ineligible costs include:

- legal costs
- house raising
- in kind contributions
- official opening expenses
- ongoing operational and management costs
- work that has already commenced or been completed
- duplication of existing initiatives
- core business for an organisation
- purchase of core business capital equipment such as motor vehicles and office equipment
- temporary works, except where required as part of the construction of the eligible works
- remuneration of executive officers.

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.

Subsidy rate

For projects approved for funding under the LGFRS, funding will be allocated based on a subsidy rate of up to 40 per cent of the eligible project costs.

The Minister may determine an alternative subsidy rate for an approved project. Under the LGFRS, eligible project costs are the total project cost minus ineligible components and any other funding contributions to the project.

Other funding contributions include: funding from partners, government grant funding received or applied for and in-kind contributions.

Assessment criteria

Under the LGFRS, applications will be assessed against how the proposed project meets the 2014-15 State's funding priorities and the LGFRS aims and objectives, including how the project is linked to and will deliver outcomes to support relevant recommendations of the Floods Commission, and the following combined criteria of the joint application package:

- 1. The project informs development of appropriate mitigation strategies such as flood management studies, mapping and modelling**
 - Complements, where relevant, existing flood studies and mapping (such as mapping undertaken as part of the Queensland Flood Mapping Program)
 - Addresses an identified area of need which has been impacted historically and considers all communities within a catchment
 - Improves information on flood inundation and overland flow to meet urban land use planning and disaster management needs
 - Incorporates consultation with neighbouring councils.

- 2. The project provides infrastructure that builds resilience for the community and achieves improved mitigation outcomes**
 - Supported by a recent flood management study that clearly demonstrates why it is a preferred option and has considered the impact of the infrastructure on the other communities in the catchment
 - Evidence of need for the project demonstrated through the historical impact of flooding events
 - Demonstrates that the infrastructure will reduce the impacts of flooding to the built environment and in particular will protect lives and property and/or essential infrastructure
 - Improves flood mitigation infrastructure and enhances liveability and community resilience.

- 3. The project is collaborative and based upon a regional catchment approach**
 - The project demonstrates a regional or catchment approach to mitigation
 - Evidence that consultation has occurred with relevant affected and neighbouring councils.

- 4. The project is financially sound and is ready to be delivered**
 - A project budget is provided and gives a breakdown of costs
 - The project is financially sound, including demonstrated value for money and a plan for the viability of the project (such as applicant's ability to manage, operate and maintain the infrastructure following construction)
 - The applicant has the capability to deliver the project, such as appropriate staff expertise and capacity to manage the implementation of the project (capability may be sourced externally)
 - All factors in relation to the site details for infrastructure projects have been considered
 - The project can be delivered within approved timeframes
 - The project will comply with applicable legislative, industry or regulatory requirements
 - The project effectiveness will be evaluated by the applicant post completion
 - The applicant's proven ability to deliver Queensland Government funded projects, where applicable.

- 5. The project has demonstrated community support**
 - The application includes evidence of community consultation regarding the project

- The application includes evidence of a priority need and clear benefits to the community.

The department will consult with other agencies in assessing and prioritising the allocation of funding.

Approved projects

Successful applications

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

Projects approved for funding under more than one funding program will enter into an integrated funding agreement between the recipient and the State.

Funding period

The funding period for the approved project is a maximum of 12 months from the date of approval. In certain circumstances the project complexity may require a longer funding period and this will be negotiated on a case by case basis. The grant recipient must ensure that:

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

Claims for payment

The funding agreement provides details of the payment schedule for each project. Under the LGFRS, funding will be administered on a 30:60:10 model.

A first payment equal to 30 per cent of the approved funding will be made following the execution of the funding agreement for the project by both parties. In particular circumstances, the department may approve a different payment schedule.

Once the first payment has been expended and acquitted, the funding recipient can then submit claims for progress payments at the approved subsidy rate against works completed (up to 60 per cent of approved funding), in accordance with the funding recipient's payment forecasts and project plan.

A final payment of 10 per cent will be made on completion and acquittal of the project.

Each claim for payment must be made on the prescribed form, with certification by the funding recipient 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 these guidelines and the funding agreement. Certification must be made by an appropriately delegated officer of the funding recipient, or other persons as agreed by the department.

The prescribed form for claiming payments is available on the department's website:
www.dlgcrr.qld.gov.au

How to apply

The 2014-15 joint application package provides applicants with the necessary information to apply for disaster mitigation and resilience funding:

- complete and submit one application for each individual project irrespective of the funding program. It is not necessary to identify a particular funding program—a single application for each project is all that is required
- submit each completed application and all supporting project documents electronically via email to lgfundingunit@dlgcr.qld.gov.au
- complete all sections relevant to the project (use the relevant sections and schedules as a guide)
- ensure the certification form is completed.

Key dates in 2014-15

Applications open	25 March 2014
Applications close	12 May 2014
Announcement of successful projects	From June 2014

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

Resources

Department of Local Government, Community Recovery and Resilience:
<http://www.dlgcr.qld.gov.au/grants-and-subsidies-programs/>

Queensland Reconstruction Authority - Floodplain maps
<http://www.qldreconstruction.org.au/maps/floodplain-areas>

Queensland Reconstruction Authority: <http://www.qldreconstruction.org.au/>

Queensland Floods Commission of Inquiry: <http://www.floodcommission.qld.gov.au/>

More information

For more information on the LGFRS, contact the Department of Local Government, Community Recovery and Resilience.

Brisbane Office email: lgfundingunit@dlgcr.qld.gov.au
 Phone: 07 3452 6725

Northern Region Phone: 07 4799 7378

Southern Region Phone: 07 3452 6762

Conditions of funding

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 relevant Queensland Government 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 and/or Commonwealth funds.

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

Risk management

At the time of making an application, all applicants are required to demonstrate that they have considered the risks inherent in the proposed project. Funding recipients will be required to develop and implement a risk management plan as part of their obligations under the funding agreement.

Funding period

The funding period for all projects approved under the 2014-15 LGFRS is a maximum of 12 months from the date of approval. In certain circumstances the project complexity may require a longer funding period and this will be negotiated on a case by case basis. The funding recipient must ensure that:

- all aspects of an approved project are completed within the approved funding period
- all claims for payment are submitted within one month following the completion date of the approved project.

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

Funding recipients may request an extension of time (see extensions of time section below).

Approval prior to commencement of works

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

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

Funding agreements

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

The agreement provides details on general and specific conditions of funding associated with delivery of the funding program

More information on funding agreements can be found from the department's website at [Grants and subsidies - Queensland Government](#).

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.

Regulatory requirements

Queensland Government flood mitigation funding approvals and payments are conditional on the funding recipient observing all relevant laws and state or Commonwealth policies. 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 under Queensland Government flood mitigation funding process 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 the completed construction 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 by the Queensland Government until licences are obtained.

Third party contributions

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

Project costs

State subsidies and financial assistance are intended only to assist with the direct costs of approved projects, as detailed in the application for funding.

Roles and responsibilities

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

Reporting and evaluation

The funding agreement provides details of reporting and evaluation requirements for the approved project. 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.

Goods and services tax

For all approved projects, approved applicants are subject to the Australian Government taxation legislation and associated tax rulings with respect to the goods and services tax (GST). The department and funding recipients are required to comply with this legislation and the relevant rulings.

Claims for payment

The funding agreement provides details of the payment schedule for each approved project.

Final claim for payment

Within one month after the completion of an approved project, the funding recipient must submit a certified claim for final payment along with the relevant completion documentation.

As outlined in the funding agreement, a post-completion report must be submitted with the final claim for payment.

Where the funding recipient does not comply with established reporting requirements, the final 10 per cent of the approved funding may be withheld until all relevant reporting is submitted to the department.

Once the certified claim for final payment has been submitted, additional funding requests for the approved project will not be considered.

Extensions of time

In exceptional circumstances, the Minister or delegate may approve a request for an extension of time to complete a project. A request for an extension of time should be submitted to the relevant department before the approved project completion date.

Suspension of works

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

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.

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.

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.

Acknowledgment of the funding

Funding recipients must acknowledge the contributions of the State or Australian 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
- acknowledgment 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.

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.

Glossary

assistance	a monetary allocation under the Queensland Government disaster mitigation and resilience funding program approved by the Ministers provided to assist to conduct approved projects
approved or approval	the approval by the Ministers or Executive Council
approval date	the date which a proposed project receives approval by the Ministers or Executive Council
approved applicant	a council or other entity for whom funding is approved by the Ministers under a specified program
authorised person	an officer or employee of a government department or other person authorised by the Ministers 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
eligible project costs	eligible project costs equals the total project costs as per application/approval: <ul style="list-style-type: none">• less any other contributions to the approved project and/or• less any ineligible costs
extension of time	the approval by the Minister of additional time in which the funding recipient can complete the 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	the period from the approval date to the project completion date as stipulated in the funding agreement
funding recipient or recipient	an eligible organisation in receipt of a subsidy for an approved project
lapsing	the discharging of a commitment to provide funding assistance to an approved project
mayor	the mayor of a council or in the case of Brisbane City Council, the Lord Mayor
Minister	the Minister responsible for the respective Queensland Government disaster mitigation and resilience funding programs for the LGFRS - the Minister for Local Government, Community Recovery and Resilience
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	the date by which approved project works must be completed, as stipulated in the funding agreement
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 when requests for funding applications are open to councils
sub-agreement	a sub-agreement that forms part of the formal funding agreement executed by the 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 are directly attributable to the proposed project as at the time of application or approval
work or works	means identifiable part/s of a project

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