



GROWING LOCAL ECONOMIES

2018 Fund Guidelines

WE'RE HERE TO HELP

Have questions about this fund?
Get in touch with the Office of
Regional Development.

Email: regionalnsw.business@dpc.nsw.gov.au
Phone: 1300 679 673



MESSAGE FROM THE DEPUTY PREMIER

Never before have our regional communities seen an investment like the NSW Government's \$1.3 billion Regional Growth Fund.

This fund targets projects that boost business activity, communications technology, sports infrastructure, cultural facilities and local amenities to ultimately deliver jobs to regional areas. The overarching Regional Growth Fund is made up of six separate funds, each dedicated to specific areas of need.

Of the six funds, the Growing Local Economies fund is the biggest, with \$500 million to invest in infrastructure to enable regional businesses to expand and thrive. This builds on the NSW Government's 2016 Regional Development Framework by identifying areas of economic advantage, or the potential strength of towns in regional NSW.

We have a new approach to allocating funds. It isn't based on map lines, but rather on the economic ties between towns that help form local economies.

Local economies often comprise a number of smaller towns surrounding a larger town, and may cross local government boundaries. The NSW Government views each local economy as a unique place presenting its own investment opportunities. It's a new way of approaching regional funding.

In short, this approach plays to the strengths or potential strengths of each town.

Rather than different regions competing for funding on an uneven playing field, the NSW Government will

work with each local economy to develop a Regional Economic Development Strategy.

This aims to find and develop investment-ready projects that build on the region's strengths and help drive economic growth.

To deliver real changes for families, businesses, farmers, and young people, our investment decisions need to be locally focused. This is an incredible opportunity for regional industries and communities.

I look forward to receiving innovative proposals from across regional NSW.



A handwritten signature in black ink, appearing to read 'J Barilaro'.

The Hon John Barilaro

Deputy Premier

Minister for Regional NSW

Minister for Skills

Minister for Small Business

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In these guidelines, you will find the fund objectives, eligibility criteria and application process. Please refer to the program fact sheet for the assessment criteria. Contact the Office of Regional Development if you have questions or require guidance.

Fund overview

The Growing Local Economies Fund is part of the NSW Government's \$1.3 billion Regional Growth Fund and is designed to deliver economic growth and productivity in regional NSW. The fund will invest in infrastructure projects right across regional NSW to ensure economic prosperity is spread around the state.

The objective of the fund is to support projects of economic significance in regional NSW, which draw on the strengths or potential strengths of each Functional Economic Region.

The Growing Local Economies Fund has been established under the NSW Government's Restart NSW Fund. The objective of the Restart NSW Fund is to improve economic growth and productivity in NSW.

Eligible applicants

Funding is available for projects located in regional NSW outside of Sydney, Newcastle and Wollongong.

Eligible applicants include:

- local councils or Joint Organisations of Councils
- Aboriginal Land Councils
- infrastructure providers such as telecommunication, energy or water companies
- peak bodies such as incorporated business, industry and community associations
- cooperatives
- educational institutions
- incorporated not-for-profit organisations

Applications involving public-private partnerships or leveraging other funding streams (such as Commonwealth or local government funding) are encouraged.

Grant funding

Up to \$500 million is available under the Growing Local Economies Fund. The minimum grant amount is \$1 million and there is no maximum grant amount.

The NSW Government is committed to funding projects in all areas of regional NSW and the fund will remain open until all funding has been allocated.

All projects must have a minimum financial co-contribution of 25 per cent of the total grant amount. The co-contribution for the project must be from sources other than the Restart NSW Fund and must be confirmed.

An exemption from the minimum 25 per cent co-contribution may be granted where a project is located in a disadvantaged area of NSW. Applicants must submit a case for the exemption with evidence demonstrating the disadvantage. The starting point for measuring disadvantage for this fund is the Socio-Economic Index for Areas (SEIFA), published by the ABS.

Other considerations may be:

- impact of significant industry decline or business closure
- recovery from a significant natural disaster
- significant recent change in population or community demographics
- other exceptional circumstances.





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Eligible projects

The Growing Local Economies Fund is designed to deliver economic growth and productivity in regional NSW.

Projects must be for infrastructure that:

- is for the use and benefit of multiple organisations or businesses
- enables or brings forward investment or productivity improvements for new or existing industry
- delivers a net economic benefit to residents and business located in NSW
- would likely not proceed without NSW Government funding.

Wherever possible, projects should support local procurement, job creation and skills development.

Project examples

Examples of eligible infrastructure projects include:

- service infrastructure (e.g. water, sewer, electricity, gas) to unlock potential for new or existing employment areas
- road or rail upgrades
- multi-user/shared research and development facilities
- expansion or upgrading of multi-user, open access facilities
- telecommunication infrastructure that enables economic growth or increases productivity for multiple businesses.

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Applications

All applications must:

- show capacity to improve economic growth and productivity for the state of NSW
- help regional communities capitalise on their strengths or broaden and reposition their industry base
- demonstrate benefits to multiple organisations or businesses
- align with the relevant NSW Government Regional Economic Development Strategy
- have a Benefit to Cost Ratio higher than 1.0 as assessed by the NSW Government
- seek a minimum grant amount of \$1 million
- have a minimum financial co-contribution of 25 per cent of the total grant amount. The co-contribution for the project must be from sources other than the Restart NSW Fund and must be confirmed
- provide information on how the project will be operated and/or maintained upon completion.

Ineligible projects

The Growing Local Economies Fund will not support projects that:

- are not in eligible locations
- are on private land unless there is a clear public benefit
- have exclusive private benefits
- relate to buying or upgrading non-fixed equipment
- relate to marketing, advertising or product promotion
- require ongoing funding from the NSW Government or Commonwealth Government
- request grant funding for operational expenditure, including but not limited to regular repairs and maintenance.

Examples of ineligible projects include:

- street beautification
- construction of a building that will return a commercial rent to a single organisation or entity
- projects that do not involve building infrastructure, such as dredging or earthworks as the sole activity
- non-fixed equipment such as road machinery.

HOW TO APPLY

Two-step process

The Growing Local Economies Fund is administered by the Department of Premier and Cabinet.

Applying for the Growing Local Economies Fund is a two-step process.

STEP ONE

Contact the Office of Regional Development (within the Department of Premier and Cabinet)

Call **1300 679 673** or email **regionalnsw.business@dpc.nsw.gov.au** to discuss your project. You may be asked to provide high-level technical and administrative information about your proposed project.

The Office of Regional Development will review the proposed project against the fund objectives and eligibility criteria.

If your proposed project is eligible, the Office of Regional Development will invite you to submit an expression of interest and a brief data sheet for assessment.

Referral of applicants to a more appropriate funding program

Projects that are more suitable for other NSW Government funding programs may be referred to those programs and will be subject to the relevant assessment criteria.

Applicants may need to update their application to meet the criteria of the referred program. The referred application will not be given preferential treatment over any other application but will be considered on merit in accordance with the guidelines for that particular program.

STEP TWO

Submit a business case

Depending on the outcome of step one in the assessment process, selected organisations will be requested to formally submit a business case for consideration.

Applicants will be required to provide significantly more detail regarding their project, including information on their ability to carry out the project in the appropriate time frame and the competitiveness of the proposal against factors such as value for money, sustainability and the level of contingency/risk.

More details about the assessment criteria are provided in the fact sheet on the Growing Local Economies Fund **[web page](#)**.

As the fund is part of Restart NSW, projects will need to meet the requirements of the *Restart NSW Fund Act 2011* including being for the purpose of improving economic growth and productivity in the state.

Projects must demonstrate a Cost Benefit Ratio above 1.0. The Office of Regional Development can provide guidance on business case development.

If you are successful

Successful applicants will be required to enter into a funding deed with NSW Treasury.

Infrastructure NSW is the Treasurer's representative on funding deeds for the Restart NSW Fund and will administer the deed.

Organisations must not make financial commitments for funded activities until funding agreements have been executed.

The funds must be spent on items or costs directly related to the project as specified in the application and funding agreement. Payments are made on the basis of progress claims and regular reporting is required.

Requests for variations or changes to the project must be submitted in writing to Infrastructure NSW which will consider the request. Changes or variations may be rejected or accepted subject to certain conditions.

Information about projects may be used for material prepared by the NSW Government. Summary information about each successful project will be published on NSW Government websites, unless the applicant objects.







MORE INFORMATION

nsw.gov.au/growinglocaleconomies

Contact us

Email: regionalnsw.business@dpc.nsw.gov.au

Phone: 1300 679 673

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