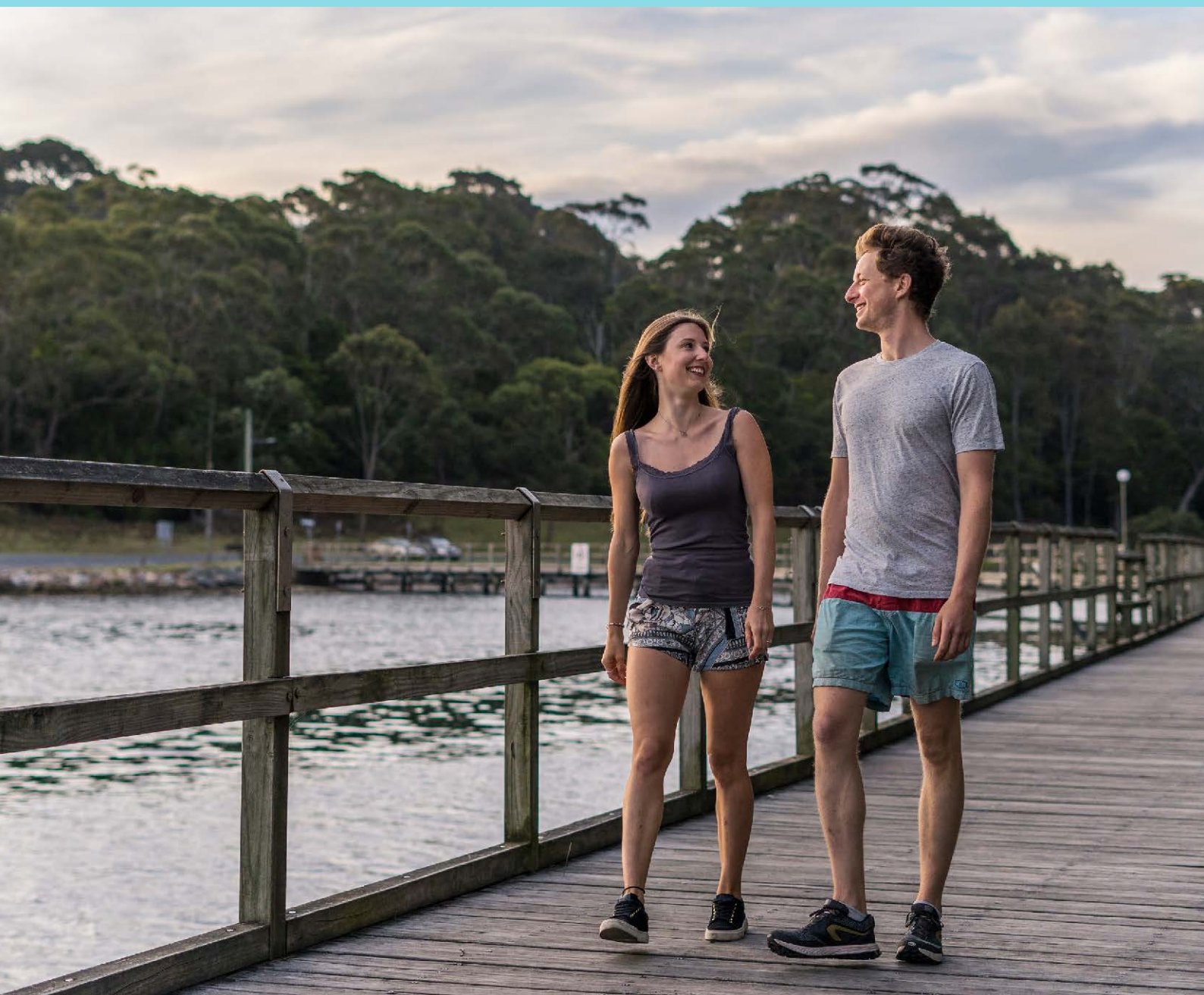# Regional Tourism Activation Fund

Round 2

Program Guidelines

Fairy lights adorning a tree in the Victory Memorial Gardens, Wagga Wagga.
Photo credit: Chloe Smith Photography;
Visit Wagga Wagga

Contents

Cover: A couple enjoys a walk along
the Mill Bay Boardwalk, Narooma.
Photo credit: Destination NSW

Kayaking on Lake Hume, Albury.
Photo credit: Albury City Council;
Destination Riverina Murray

Message from the Deputy Premier

From vast rolling hills to pristine beaches, regional NSW is the perfect destination for both domestic and international travellers.

After the impacts of extended lockdowns, the popularity of regional tourism has never been greater. For many regional communities, the tourism dollars spent at cafes, shops and accommodation is the driving force of regional economies.

This is why we are investing $150 million for Round 2 of the NSW Government's Regional Tourism Activation Fund, to continue supporting major tourism projects that deliver iconic experiences for visitors to NSW.

Under Round 2, we are encouraging high-impact projects by increasing the maximum funding request to $20 million, enabling the delivery of new and innovative tourism drawcards.

Round One of the Regional Tourism Activation Fund supported incredible projects that will only accelerate the growth of tourism in our regions. Now in 2022, we want to build on that investment and share with visitors from Australia and abroad the full range of unforgettable visitor experiences right across regional NSW.

If you are an eligible applicant and have a great project in mind, I encourage you to apply for funding to help bring even more tourists to our wonderful regions.

The Hon. Paul Toole MP
Deputy Premier
Minister for Regional NSW, and Minister for Police

Overview

$150m
Round 2

$3.3bn
Regional Growth Fund total

The NSW Government has committed $150 million to Round 2 of the Regional Tourism Activation Fund as part of the $3.3 billion Regional Growth Fund.

The Regional Tourism Activation Fund–Round 2 will accelerate the development of high impact tourism infrastructure projects that will increase visitation, expenditure and extend length of stay for visitors to regional NSW.

The Fund will focus on developing new and enhanced visitor experiences that have the potential to increase the international appeal of destinations in regional NSW and lead to increased visitation from interstate and international tourists. The Fund will support projects that utilise universal design principles and are accessible and inclusive for everyone.
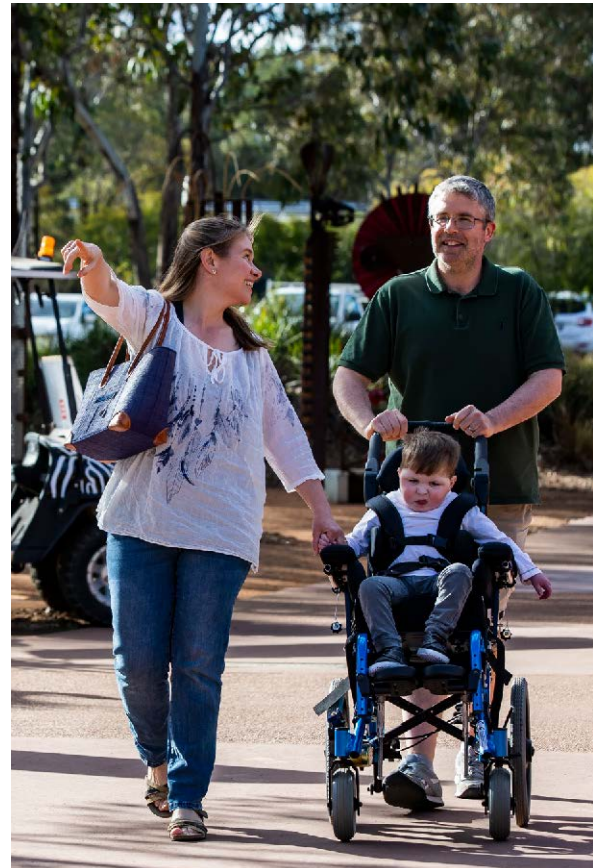
Objectives

The key objectives of the Regional Tourism Activation Fund – Round 2 are to:

- accelerate the development of high impact tourism and events infrastructure

- increase the international appeal of destinations in regional NSW

- boost the visitor economy in regional NSW through increased visitation and job creation

- develop visitor experiences that utilise universal design principles and are accessible and inclusive for all

- ensure all visitors to regional NSW have unforgettable experiences that encourage repeat visitation.

Visitors arriving to Taronga Western Plains Zoo, Dubbo. Photo credit: Taronga Western Plains Zoo

Children viewing a historic aircraft on display at the Temora Aviation Museum, Temora. Photo credit: Destination NSW

The sun sets over Wollomombi Falls,
near Armidale.
Photo credit: Destination NSW

From top: Business event delegates enjoying a sunrise yoga session at Yarran Wines, Yenda. Aerial view of the Bago Maze and Winery, Wauchope.
Photo credits: Destination NSW

Timeline

Applications open:

2 August 2022

Applications close:

27 September 2022 at 5pm AEST

Notifications and announcements:

Successful applicants will be notified confidentially from November 2022 or as soon as possible after an application is approved, at the NSW Government's discretion.

Contracting:

Contracting may commence once the successful applicant has signed and returned their Letter of Offer and Confidentiality Agreement.

Project completion:

Projects must be completed by 30 June 2026

Project types

The Regional Tourism Activation Fund – Round 2 will provide up to $150 million for high impact tourism infrastructure projects that have the potential to become iconic visitor experiences for regional NSW.

Examples of eligible project types include:

Nature-based tourism

iconic walking and hiking trails

aquatic and coastal projects such as over-water walkways and major viewing platforms

adventure trails that cover land and water experiences

adventure cycling such as mountain bike and BMX trails

Arts, culture and events infrastructure

Aboriginal tourism experiences

major arts infrastructure

cultural experiences including history and heritage projects

major event and festival infrastructure

major conference centre facilities

High impact

Projects must demonstrate they have the potential to be high impact visitor experiences that will lead to an increase in visitation for the destination where it will be developed. The impact of the project will be assessed through visitation forecasts that capture increases in daytrip, overnight, interstate and international visitors over a five-year period following the completion of the project.
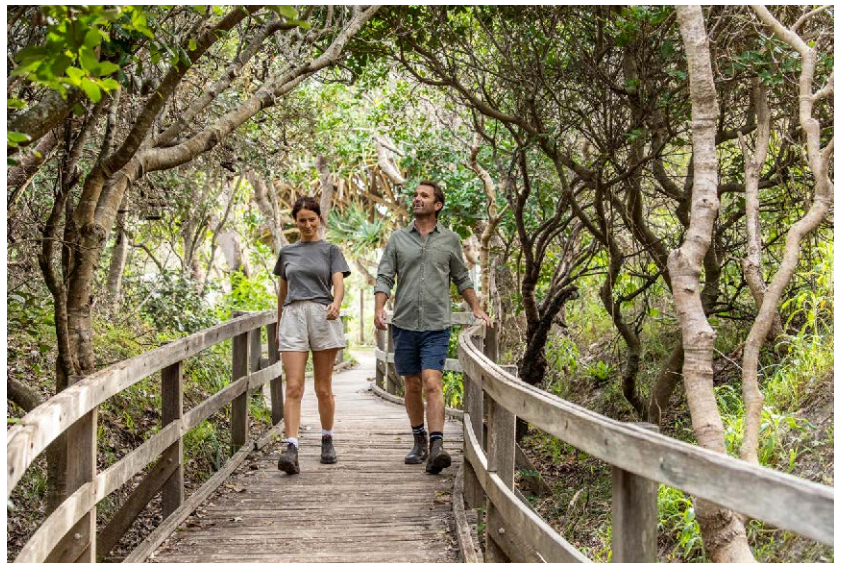
Accessibility and inclusion

Projects that go above and beyond the baseline compliance standards and enable people with disability and accessibility requirements to participate independently with equity and dignity will be preferred.

Applicants are encouraged to utilise universal design principles within their project design and to demonstrate their commitment to accessibility and inclusion as a key part of their application.

Strategic alignment

The objectives and focus areas of the Regional Tourism Activation Fund are aligned to strategic pillars three and five of the NSW Visitor Economy Strategy 2030 by showcasing the strengths of regional NSW and facilitating growth and diversification of the visitor economy. The Fund is also aligned to the 20-year Economic Vision for Regional NSW, the NSW Destination Management Plan, the NSW Disability Inclusion Plan 2021-2025, and the NSW Aboriginal Affairs OCHRE Plan.

Projects that align with the relevant Destination Management Plan and other regional strategies and plans including the Regional Economic Development Strategies will be preferred.

From top: A couple enjoying a walk along the Yuraygir Coastal Walk, Angourie. A family day of cycling along the Wagirra Trail and Yindyamarra Sculpture Walk, Albury. A sculpture on display in the Walcha Open Air Gallery, Walcha.
Photo credits: Destination NSW

Grant amounts

Applications for funding can be for a minimum of $500,000 up to a maximum of $20 million.

Co-contributions

1. Applications are required to have a financial co-contribution of at least 25 per cent of the total grant amount.

2. Co-contributions must be cash and cannot be made in-kind, and evidence of the cash co-contributions must be provided as part of the application.

3. Applicants can indicate that there are extenuating circumstances preventing them from making the required co-contribution and this will be considered by the Assessment Panel.

4. The delivery or viability of projects should not be dependent on co-contributions that have not been secured.

5. Co-contributions towards projects cannot be made using funding received from the NSW Government, with the exception of co-contributions towards projects that are proposed to be developed and delivered in partnership with a NSW Government agency.

For example, a project led by a local council cannot use funding received through a previous NSW Government grant program towards their co-contribution.

6. Projects that maximise investment from the applicant, Commonwealth Government and/or other industry contributions will be preferred.

Eligibility criteria

All applications will be assessed for eligibility and only eligible applications will be considered for funding. Applicants can submit multiple applications but must submit only one project per application.

Applicants

Applicants must be an incorporated entity and hold an Australian Business Number (ABN), Australian Company Number (ACN), or be registered with NSW Fair Trading under the Associations Incorporation Act 2009 or another Act. Unincorporated organisations are ineligible to apply.

Eligible applicants include:

- Local councils
- Joint organisations of councils, or council groupings and associations
- Incorporated not-for-profit organisations
- Community organisations registered as incorporated associations
- Local Aboriginal Land Councils
- An Aboriginal and/or Torres Strait Islander Corporation registered under the Corporations (Aboriginal and/or Torres Strait Islander) Act 2006.

Applicants must be financially viable and have at least $20 million public liability insurance or be willing to secure the insurance before entering into a Funding Deed if the application is successful.

Eligible applicants are encouraged to work with private operators and industry organisations to identify potential partnership projects. Public/private partnerships are eligible to apply where the lead applicant is an eligible public entity and where clear public benefit can be demonstrated. The lead applicant, if successful, will be solely responsible for the delivery of the project and must be willing to adhere to the terms and conditions outlined in the Funding Deed.

Applications for projects delivered and operated by for-profit businesses or organisations must provide strong evidence that the project will deliver clear public benefit.

Projects that are developed and delivered in partnership with a NSW Government agency such as NSW National Parks and Wildlife Service or Forestry Corporation of NSW are eligible where the lead applicant is one of the entities listed as an eligible applicant.

Applicants can submit a joint application and projects can be located in multiple eligible LGAs, but a lead applicant will need to be nominated. If the application is successful, the lead applicant will enter into the Funding Deed and will be responsible for delivering the project.

Project locations

Projects must be located in one or more of the 93 regional NSW Local Government Areas (LGAs), the Unincorporated Far West or Lord Howe Island. Projects located in the Greater Sydney metropolitan area, and the Newcastle and Wollongong LGAs are ineligible for funding.

A full list of the 93 eligible LGAs can be found in the frequently asked questions section of the Regional Tourism Activation Fund webpage.

Projects can be located on publicly owned land or on private land where there is a clear public benefit. If the applicant is not the owner of the land where the project will be located, landowner's consent and access agreements will be required as part of the application.

Ineligible project types and costs

- Costs that would be considered business-as-usual activities.

- Core government activities or business operations and administrative running costs.

- Projects or activities already funded or expecting to receive NSW Government funding, with the exception of new stages of a previously funded project or activity.

- Marketing, advertising, or product promotion including signage, with the exception of promotional activities specifically related to the project and are essential to its success.

- Engaging or paying permanent employees.

- Activities, equipment or supplies that are already being supported through other sources.

- Financing costs, including interest and debt financing.

- Capital expenditure for the purchase of everyday business activities such as office furniture and equipment, motor vehicles, computers, printers and photocopiers, with the exception of equipment specifically related to the project and essential to its success.

- Costs involved in the purchase or hire of software (including user licenses) and ICT equipment, with the exception of equipment and software specifically related to the project and essential to its success, including software and equipment that will enable the project to be accessible and inclusive.

- Costs such as rent and utilities unless specifically related to the project.

- Staff training and development costs not specifically related to the project.

- Insurance costs (applicants must hold and maintain adequate insurance coverage for any liability arising as a result of their participation in funded activities).

- Costs related to obtaining human resources used on the project, including job advertising, recruiting, and contract negotiations.

- Depreciation of plant and equipment beyond the life of the project.

- Opportunity costs relating to allocating resources to the agreed grant project.

- Projects that require ongoing grant funding from the NSW or Australian government.

- Projects that will proceed without any NSW Government financial assistance.

- Buying or upgrading equipment that is not fixed to a particular site, with the exception of equipment specifically related to the project and essential to its success.

- Retrospective funding to cover any project component that is already complete before funding is announced.

A mural found along the Narrandera Water Tower Art Trail, Narrandera.
Photo credit: Destination NSW

Assessment criteria

Eligible applications will be assessed against four merit-based assessment criteria.

Criteria 1:

Strategic alignment and visitor appeal

Applicants need to demonstrate that the project meets the objectives of the Fund by developing high impact tourism and events infrastructure that helps to boost the economy and ensures visitors to regional NSW have unforgettable experiences that encourage repeat visitation.

Applications must demonstrate how:

- the project will create or enhance a high impact visitor experience that introduces a unique point of difference for visitors to regional NSW

- the project aligns with NSW Government priorities, including the NSW Visitor Economy Strategy 2030, Destination Management Plans relevant to the region, and other regional strategies and plans including the Regional Economic Development Strategies. Projects identified in Destination Management Plans will be preferred

- the project is supported by the Destination Network and/or the local tourism organisation and is supported by other relevant stakeholders, such as the local Member of Parliament, as demonstrated through letters of support

- the project will support businesses operating in the private sector.

Weighting: 30 per cent

Criteria 2:

Economic outcomes

Applications must demonstrate how:

- the project has the potential to be a high impact visitor experience by increasing visitation to the destination over a 5-year period following completion

- the project has the capacity to create jobs and grow the visitor economy in regional NSW

- the project will generate a high value per visitor by increasing daytrip and/or overnight visitation when compared to the total project cost.

Applicants are required to submit a data sheet to assess the benefit-cost ratio for the project; however, it is not a requirement of the funding that the project receives a benefit to cost ratio greater than 1.0.

Weighting: 30 per cent

Criteria 3:

Deliverability and affordability

Applicants will need to demonstrate that the project is financially viable and deliverable by providing:

- a detailed project budget and cost estimates supported by competitive quotes, including all margins and overheads, project management costs, and an appropriate amount of contingency for the project

- a detailed operating model including any ongoing governance arrangements for the infrastructure such as access agreements

- projected maintenance costs and evidence that the asset owner has the capability and resources to meet these costs over the life of the asset.

The affordability criteria will also consider whether the proposal meets the co-contribution requirement of at least 25 per cent of the funding request.

Project cost estimates and the project budget should include any GST incurred to deliver the works, such as using tradespeople.

Applicants will need to demonstrate that they have the capacity and capability to deliver the project by providing:

- previous project management experience and the credentials of key personnel

- a detailed and realistic project management plan, including a risk assessment

- confirmation that all appropriate land consent, planning, construction, zoning, environmental and other approvals are in place.

Applications for projects that require development approval must demonstrate that the approval can be secured within 6 months of being notified of the outcome if it is not already secured at the time of making the application.

Weighting: 20 per cent

Criteria 4:

Accessibility, inclusion, and community

Applicants will need to demonstrate that the project is accessible and inclusive by providing:

- a project design that has considered and utilises universal design principles and ensures the visitor experience is appealing for all users

- evidence that the project aligns with the relevant Disability Inclusion Action Plan and promotes best practice in accessibility and inclusion outcomes

- a design that accommodates a wide range of individual preferences and access requirements and minimises hazards.

Applicants will need to demonstrate that the project contributes to the social and economic advancement of the community by providing:

- evidence that the project will create a positive legacy and will be a long-term asset for the local community

- a project design that considers the impact on the environment and sustainability

- opportunities for disadvantaged members of the community to participate and benefit as an outcome of the project during construction and operation.

Weighting: 20 per cent

How to apply

Applications must be submitted online through the Smarty Grants portal available here.

A manual push chair user traverses the Mt. Kosciuszko summit trail alongside an all-terrain power-wheelchair user, Kosciuszko National Park. Photo credit: Jo Terlich

Applicants will be required to provide the following documentation:

- completed application form

- confirmation of the required co-contribution towards the project

- completed datasheet (template provided) that will require information such as the expected visitation, income streams, job creation and expenditure associated with the project

- evidence of at least $20 million in public liability insurance, or evidence that the applicant is willing to secure at least $20 million in public liability insurance if successful

- project plan (template provided) that outlines the project delivery timeline

- evidence of experience delivering projects of similar size and scope, or demonstrated capability to deliver the project

- evidence of the readiness of the project, including the status of development applications (if applicable), costings and quotes from suppliers, landowner's consent and construction approvals where required

- letters of support for the project.

Applications requesting over $5 million will be required to submit a business case as an attachment to their application and are encouraged to utilise the business case template provided as a resource on the program webpage.

The assessment process is competitive and applications with insufficient detail will be disadvantaged during the assessment process. Applicants should ensure they provide as much relevant information as possible with their application.

Available support

To help applicants prepare their application, additional information and resources will be available on the Regional Tourism Activation Fund webpage, including relevant application templates and frequently asked questions.

An online information session will be held during the period when applications are open.

Department of Regional NSW staff can provide support during the application process. Please contact tourism.programs@regional.nsw.gov.au or call 1300 679 673 for a referral to your local Business Development Manager for support with the application process.

Applicants are encouraged to consult with the relevant Destination Network prior to submitting an application. Information and contact details for the Destination Networks can be found here.
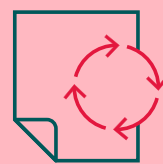
Please check with the Department of Regional NSW prior to submitting if you are unclear about any part of the application.

Applicants are encouraged to seek advice from their legal, business and financial advisors to determine the suitability of the funding before applying.

From top: the 64-metre radio telescope at Parkes Observatory, near Parkes. A family enjoys a day of fun at the Illawarra Fly Treetop Adventure, near Jamberoo. Business event delegates enjoying a morning of fishing at the Whitton Malt House, Whitton. Photo credits: Destination NSW

Assessment process

The Department of Regional NSW will coordinate the assessment process.

An Assessment Panel will be convened to consider the applications against the eligibility and assessment criteria and to determine the suitability of each project for funding.

The Assessment Panel may recommend part-funding for projects if there is insufficient funding available for the whole project or where only a component of the project is considered suitable/eligible.

The Assessment Panel may recommend funding for projects that do not have the required co-contribution based on extenuating circumstances outlined by the applicant.

Broader factors that may be considered during the assessment process include the following:

- total amount of funding available
- importance of a project to the local economy and community
- geographical distribution of projects across regional NSW
- suitability of a project for other government funding opportunities
- alignment with existing NSW Government policies and strategies.

During the assessment process, the Department of Regional NSW may ask applicants to provide additional information to assist in the assessment process. Advice may be sought from other NSW Government agencies or other sources to assist in the assessment of projects. Confidentiality will be maintained throughout the process.

The Department of Regional NSW, at its sole discretion, can take other factors into account that may make an application ineligible for funding, such as any person, business or organisation that could cause reputational or other risk to the NSW Government.

All projects may be referred to other NSW or Australian government funding programs for consideration.

Decision making

The Department of Regional NSW will provide the Assessment Panel's advice and recommendations to the Deputy Premier for consideration and approval.

Probity advice

Independent probity advisors will provide guidance to the Department of Regional NSW and the Assessment Panel on any issues concerning integrity, fairness and accountability that may arise throughout the application, assessment, and decision-making process. This will ensure decisions are made with integrity, fairness and accountability, while delivering value for money for NSW.

Successful applicants

Notification

Successful applicants will be notified confidentially from November 2022 or as soon as possible after an application is approved, at the NSW Government's discretion. Applicants may be requested to keep the grant confidential for a period if an announcement is likely to be made by the NSW Government.

Funding Deed

Successful applicants will be required to enter into a Funding Deed with the NSW Government. Please refer to an example Funding Deed template on the Regional Tourism Activation Fund webpage.

The NSW Government makes no binding funding commitment to an applicant unless and until both parties sign a Funding Deed.

The Funding Deed will require the successful applicant to provide a copy of all relevant insurances, project approvals (for example development approvals and/or landowner's consent) and other supporting documentation relevant to the project or as requested by the Department of Regional NSW.

Grants will be paid as set out in the Funding Deed. Timing and requirements will vary at NSW Government's discretion, depending on the scope and risk of the project.

For applicants registered for GST and where it is payable, successful applicants will be paid the approved grant amount plus 10 per cent by the Department of Regional NSW, with the exception of local councils as they are not eligible to claim GST. Where an applicant is not registered for GST, it is not payable on grant amounts. Applicants not registered for GST must incorporate any GST paid by them to third parties into their application.

Successful applicants will be required to submit project progress reports to the NSW Government as outlined in the Funding Deed. Examples of measures to be included in the report are the completion of project activities, the number of full-time equivalent positions created as a result of the project, construction jobs created through the delivery of the project, and employment outcomes for young people, Aboriginal communities and people with disability.

Unsuccessful applicants

Unsuccessful applicants will be notified in writing of the outcome of their application and will be offered a feedback information session.

Important terms and conditions

Applicants should note:

- the NSW Government may choose to publicly announce funding for individual applications, including the amount of funding and the expected jobs created. It may also use information provided in the application to develop case studies

- requests for variations or changes to the project will only be considered in limited circumstances

- successful applicants will be required to pay back unspent funds, or any funds not spent in accordance with the Funding Deed

- successful applicants will be required to participate in a program evaluation after the project has commenced. The evaluation will require applicants to provide evidence of how projects have resulted in measurable benefits consistent with the Fund's objectives, focusing on employment and benefits to regional economies and communities

- all recipients of NSW Government funding should acknowledge this financial support as per the requirements outlined at the Sponsorship and Funding Acknowledgement webpage

- grants are assessable income for taxation purposes, unless exempted by taxation law.

It is recommended applicants seek independent professional advice about taxation obligations or seek assistance from the Australian Taxation Office.

The NSW Government does not provide advice on individual taxation circumstances

The Department of Regional NSW reserves the right to undertake an audit of grant funding within seven years of the Funding Deed ending.

From top: An athlete competes in the Snowies Mountain Bike Festival, Lake Crackenback. A couple watches the sunset from Bar Rock Lockout, Narooma.
Photo credit: Destination NSW

Complaints

Any concerns about the Regional Tourism Activation Fund or individual applications should be submitted in writing to regionalnsw.business@ regional.nsw.gov.au. If you do not agree with the way the Department of Regional NSW handled the issue, you may wish to contact the NSW Ombudsman via ombo.nsw.gov.au

Government Information (Public Access) Act 2009 (NSW)

Applicants should be aware that information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the Government Information (Public Access) Act 2009 (NSW). Information that is deemed to be commercially sensitive will be withheld.

The Government Information (Public Access) Act 2009 (NSW) makes government information accessible to the public by:

- requiring government agencies to make certain sorts of information freely available

- encouraging government agencies to release as much other information as possible

- giving the public an enforceable right to make access applications for government information

- restricting access to information only when there is an overriding public interest against disclosure.

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The guidelines are subject to change at any time at the sole discretion of the Department of Regional NSW.

People enjoying a visit to Carey's
Cave, Wee Jasper. Photo credit:
Don Fuchs; Destination NSW