

Regional Growth — Environment and Tourism Fund

Fact sheet

August 2018



Cultural Walk Trail →

The Living Desert and Sculptures, Broken Hill
Photo | Destination NSW

Overview

The NSW Government's Rebuilding NSW program, announced in 2014, is funded from the Restart NSW Fund. Within the Rebuilding NSW program, the Regional Growth — Environment and Tourism Fund aims to increase tourist visitation by investing in regional environment and tourism infrastructure, particularly focusing on fixed assets that will grow and further diversify NSW regional economies.

The NSW Government recognises that investment is needed in the environment and tourism infrastructure that generates this wealth and increases tourism to regional NSW. The fund demonstrates the NSW Government's commitment to supporting these activities. The NSW Government has committed \$300 million to the fund.

\$110 million in funding was committed to Round One.

The NSW Government is allocating up to \$100 million in Round Two.

This is divided into two streams:

- **Stream One:** Up to \$50 million for regionally iconic tourism activation, such as the Wagga Wagga Riverside Precinct Rejuvenation and the Jenolan Caves upgrade of visitor facilities.
- **Stream Two:** Up to \$50 million for projects from eligible applicants with strong projects who were unsuccessful at the Expression of Interest stage during Round One.

Eligibility

Project applications are invited from local councils, community groups and non-government organisations. Eligible projects must also be located in an eligible regional local government area. For more information please visit the Regional Growth - Environment and Tourism web page nsw.gov.au/rgetf.

The NSW Government encourages proponents to work together through their relevant Joint Organisation of Councils, Regional Organisation of Councils, Destination Networks and local tourism organisations to identify projects that involve more than one local government area and have been identified as regional priorities.

Eligible projects must be for new or enhanced public infrastructure that will drive growth in the visitor economy including growing regional visitor numbers, increasing overnight visitor expenditure and extending visitor overnight stays.

To be eligible, projects must also:

- make a minimum grant request of \$5 million for regionally iconic tourism activation projects (Stream One), or \$500,000 for applicants who previously were unsuccessful at the Expression of Interest stage in Round One (Stream Two)
- propose an applicant co-contribution greater than 25 per cent of the total grant amount unless financial hardship is claimed
- have a Benefit to Cost Ratio of above 1.0, as assessed by the NSW Government.

Financial co-contribution

All applications must have a minimum financial co-contribution of 25 per cent of the total grant amount. The co-contribution must be from sources other than the NSW Government and commitments must be confirmed before detailed applications are assessed.

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 Australian Bureau of Statistics.

Other considerations may include:

- 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.

Ineligible projects

The Regional Growth — Environment and Tourism Fund will not support projects:

- from private organisations or individuals
- which have exclusive private benefits
- that are on private land unless there is a clear public benefit
- not in an eligible location
- requiring ongoing funding from the NSW Government or Commonwealth Government
- with requests for additional funding for the same outcome and that have previously accessed other NSW Government funding
- relating primarily to operational expenditure, including but not limited to regular repairs and maintenance
- to engage or pay permanent employees
- to buy or upgrade equipment which is not fixed to a particular site
- for administrative or running costs that are normally the responsibility of businesses, state or territory agencies, or local councils
- for marketing, advertising or product promotion.

Project costs not funded include:

- activities, equipment or supplies that are already being supported through other sources
- financing costs, including interest
- capital expenditure for the purchase of assets for everyday business activities such as office furniture and equipment, motor vehicles, computers, printers or photocopiers
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- costs such as rental, renovations and utilities
- staff training and development costs
- insurance costs (the participants must effect and maintain adequate insurance or similar coverage for any liability arising as a result of their participation in funded activities)
- debt financing
- costs related to obtaining resources used on the project, including job advertising and recruiting, and contract negotiations
- depreciation of plant and equipment beyond the life of the project
- maintenance costs
- opportunity costs relating to allocating resources to the agreed grant project
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges.

Important milestones

All key dates will be published on the Regional Growth – Environment and Tourism Fund web page nsw.gov.au/rgetf.

The application process has the following key dates:

Stream One applicants: Expressions of Interest (EOI) due 21 September 2018

Stream Two applicants: Detailed applications or business cases from Round One EOI applicants due 21 September 2018

How to apply

Potential applicants can seek advice and assistance from their local Department of Premier and Cabinet Regional office. Eligible applicants must use the form and templates provided on the web page nsw.gov.au/rgetf.

Please refer to the guidelines for further information about the application and assessment process.

Assessment process

The application process has two stages.

Expression of Interest Assessment

Infrastructure NSW with assistance from the Department of Premier and Cabinet and other agencies will assess all Expressions of Interest for regionally iconic tourism activation projects received by the closing date. All proponents are required to complete an application form and data sheet using templates provided on the web page nsw.gov.au/rgetf.

Expressions of interest will be assessed by:

- program staff to determine eligibility and strength against assessment criteria
- the Investment Appraisal Unit within the Department of Premier and Cabinet, which will undertake a preliminary cost benefit analysis
- a senior officer group chaired by the Department of Premier and Cabinet.

The Department of Premier and Cabinet will consult on applications with relevant stakeholder groups, which may include other NSW and federal government agencies, local councils, Members of Parliament, Regional Development Australia, independent experts and other relevant external parties. During the application process applicants may be asked to clarify information.

Recommended projects will then be formally reviewed by Infrastructure NSW in accordance with Restart NSW Fund requirements.

Detailed Application

Applicants who submitted Expressions of Interest and were previously unsuccessful under Round One will be invited to proceed directly to the Detailed Application stage.

Shortlisted applicants will be requested to provide further information. All detailed applications must be accompanied by a data sheet using templates provided on the web page nsw.gov.au/rgetf.

Shortlisting and funding recommendations will be submitted to the NSW Government following an assessment by Infrastructure NSW assisted by the Regional Independent Assessment Panel.

Infrastructure NSW will undertake the formal review of the project submitted for funding under the Restart NSW Fund with advice from its Regional Independent Assessment Panel. Projects valued greater than \$10 million, being developed or delivered by general government agencies and government businesses, may be subject to further analysis under the Infrastructure Investor Assurance Framework.

Assessment criteria

Eligible projects will be assessed against four program criteria at the Expression of Interest and Detailed Application stages.

Applications that are incomplete or do not meet eligibility criteria will not be assessed against the assessment criteria.

Criterion 1: Strategic Assessment

All applications need to demonstrate that the project would meet the purpose of the Restart NSW Fund, achieve the objectives of the Regional Growth – Environment and Tourism Fund and the eligibility criteria set out in the Program Guidelines and this document.

Applications for new or improved environment and tourism infrastructure will be assessed for their capacity to grow and further diversify NSW regional economies and increase visitor numbers and tourism spending in regional areas.

Proposals should show how:

- the project will contribute to increasing visitation in regional NSW
- the project will contribute to the advancement of the local government area and region
- the project will contribute to increased employment and business outcomes in the visitor economy

- the project's objectives align with NSW Government priorities, including the **Visitor Economy Industry Action Plan**, any **Destination Management Plans** relevant to the region, and other regional strategies and policies including the **Regional Development Framework**, **Regional Economic Development Strategies** and **Regional Plans**.

Criterion 2: Economic Assessment

Applicants must demonstrate how projects will have a positive impact on productivity and economic growth in NSW through the creation or enhancement of publicly-owned assets.

Examples include projects that:

- would have the capacity to deliver jobs and economic growth
- would have a positive impact on regional economies through investment in environment and tourism infrastructure.

Restart NSW Fund requirements

All projects funded through the Restart NSW Fund must improve economic growth and productivity in NSW, and have a positive impact on regional economies. In order to be funded, the estimated public benefits to NSW from projects must be greater than the forecasted costs.

Criterion 3: Affordability

All applications will need to demonstrate that the project is financially viable into the future, taking into account net life cycle cost impacts and allowing for ongoing operating and maintenance requirements.

Project applications should include construction costs, and operating and maintenance costs. The construction cost estimates should be supported by estimations or quotes, and include all margins and overheads, project and construction management costs, and an appropriate amount of contingency for the project stage and risks.

The affordability criteria also considers whether the proposal maximises the value of co-contribution from the applicant and maximises the value of other regional investments by the state and Commonwealth – for example, the investments made under the **Regional Tourism Infrastructure Fund**, **Jobs for NSW** and the **Regional Visitor Economy Fund**.

Applicants should seek to maximise their co-contributions in their projects.

Criterion 4: Deliverability

All applicants will need to demonstrate that they have the capacity and capability to deliver the project through robust strategies for procurement, project management and risk management.

Applicants should provide evidence of support from local stakeholders.

Infrastructure NSW will consider past performance of delivery on other NSW Government funded projects when considering deliverability.

Complaint handling process

If an applicant is dissatisfied with the way an application has been assessed, they can contact the Department of Premier and Cabinet to register their concerns.

Probity

The NSW Government is committed to ensuring that the process for providing funding under the program is transparent and in accordance with published guidelines. The NSW Government will provide information sessions to applicants intending to apply for funding. All information provided at the information session will be published on the web page nsw.gov.au/rgetf.

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.

Confidentiality and disclosure

All information submitted by applicants may be provided to other organisations for the purposes of appraisal.

The Department of Premier and Cabinet will consult on applications with relevant stakeholder groups, which may include other NSW and federal government agencies, local councils, Members of Parliament, Regional Development Australia, independent experts and other relevant external parties.

Information about projects may be used for material prepared by the NSW Government and summary information about project applications will be posted on NSW Government websites unless the applicant objects.

Proponents should identify any information submitted which they wish to be considered as confidential, supported by reasons for the request. Except as disclosed, the NSW Government and Infrastructure NSW will keep all information confidential and secure.

Any request made under the *Government Information (Public Access) Act 2009* for access to an application, including information marked 'confidential', will be determined in accordance with the Act.

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 for the funding deeds for the Restart NSW Fund and will administer the deed.

Organisations must not make financial commitments for funded activities until 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 deed.

Payments are made on the basis of progress claims for works completed and monthly reporting is required.

Successful applicants must submit reports in line with the funding agreement. The amount of detail provided in reports should be relative to the project size, complexity and grant amount and in line with funding requirements.

Requests for variations 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.

Responsibilities

The Department of Premier and Cabinet is the lead agency for administering the program and is responsible for providing technical advice and support to Infrastructure NSW. Applicants will be responsible for the preparation and submission of applications, compliance with funding deed agreements and progress reporting.

Unsuccessful applications

Applicants will be notified in writing when projects have been unsuccessful. Applicants may contact the Department of Premier and Cabinet for feedback.

FOR MORE INFORMATION

Refer to the program guidelines, fact sheets and FAQs provided on the web page nsw.gov.au/rgetf or contact your local Department of Premier and Cabinet Regional office if you have queries about eligibility or the application process.

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

Phone: 1300 679 673

Web: nsw.gov.au/rgetf