



**Australian Government**



**Category D Anchor Business Support Grant Program Guidelines**

**AGRN 1012: NSW Severe Weather and Flooding: 22 February 2022 onwards**

This measure is fully funded by the Commonwealth under the Disaster Recovery Funding Arrangements. It is administered by the New South Wales Government.

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## Part A: Program overview

### 1. Anchor Business Support Grants Program

Funding Program	Disaster Recovery Funding Arrangements (DRFA) 2018 Category D
Name/title of initiative	Anchor Business Support Grants Program
Type of assistance	Grants for <i>Northern Rivers</i> flood-affected <i>anchor businesses</i> .
Available funding	<p>A total of \$44.3 million is available under the Grants Program.</p> <p>Grant funding will be allocated to eligible businesses based on the evaluation criteria included in Section 7.</p>
Description of initiative	<p>On 17 March 2022, the Australian Government agreed a \$50 million (Commonwealth-only funded) support package for <i>Northern Rivers</i> flood affected <i>anchor businesses</i>. It is part of a broader jointly funded \$150 million Northern Rivers Support Package that will also target assistance to medium and small businesses.</p> <p>The package provides financial assistance to <i>anchor businesses</i> in the <i>Northern Rivers</i> to support the extraordinary costs for re-establishment of their businesses and continuation of employment within the <i>Northern Rivers</i>. Two types of funding are being provided under the package – bespoke payments to businesses identified as immediately at risk and a competitive Grants Program.</p> <p>These Guidelines relate only to the Grants Program.</p>
Eligible disaster event	AGRN 1012: <i>NSW Severe Weather and Flooding: 22 February 2022 onwards</i>
Eligible area	<i>Northern Rivers</i> , defined as the following Local Government Areas: Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Shire.
Administered by	Grants Management Office, Department of Regional New South Wales (DRNSW) <a href="mailto:regionalnsw.business@regional.nsw.gov.au">regionalnsw.business@regional.nsw.gov.au</a>

## Part B: Program details

### 2. Objective/purpose/intent

The objectives of the **Anchor Business Support Grants Program** are to support *anchor businesses* in the *Northern Rivers* to:

- a. return to 'normal' operations as soon as possible
- b. increase business resilience to *natural disasters*; and
- c. continue to support employment in the region.

### 3. Outcomes

The **Anchor Business Support Grants Program** supports the following recovery outcomes:

Economic recovery outcomes	<ul style="list-style-type: none"><li>• <i>Northern Rivers</i> community members can meet their material and service needs and participate in the economy through the financial security provided by continued employment in <i>anchor businesses</i>.</li><li>• <i>Anchor businesses</i> in the <i>Northern Rivers</i> can operate and trade in line with broader economic trends.</li></ul>
<i>Resilience</i> outcomes	<ul style="list-style-type: none"><li>• <i>Anchor businesses</i> have in place adequate mitigation practices for risks and threats caused by <i>natural disasters</i>, including through preparation, planning and more <i>resilient</i> premises, infrastructure, and equipment where possible.</li></ul>

### 4. Eligibility criteria

#### Eligible applicants

Eligible applicants include businesses which are physically located and operating within the *Northern Rivers*, who:

- a. hold an active Australian Business Number (ABN), registered prior to 22 February 2022
- b. are registered within *Northern Rivers* per their main business location on the Australian Business Register
- c. employ a minimum of 200 *Full Time Equivalent (FTE)* employees within *Northern Rivers* as at 21 February 2022
- d. suffered significant damage to their assets, as a *direct result* of the *disaster event*
- e. intend to continue operating or re-establish operations within the *Northern Rivers*, as their main business location
- f. have been operating in the *Northern Rivers* for at least 12 months prior to 22 February 2022; and
- g. were *financially viable* prior to the *disaster event*.

Businesses may also be considered eligible if, in the determination of the New South Wales Government, exceptional circumstances apply. This may include, but is not limited to, consideration of businesses which are not registered within *Northern Rivers* as their main business location, however can demonstrate they have significant operations within the *Northern Rivers*, and meet all other eligibility requirements.

## Ineligible applicants

Ineligible applicants include businesses that:

- a. have received alternative grants or concessional interest rate loans under the DRFA for the *disaster event*. This includes, but is not limited to:
  - i. [\\$10,000 small business northern flood grant](#)
  - ii. [\\$200,000 medium business flood grant](#);
  - iii. [Rural Landholders Grant](#); or
  - iv. [Primary Industry Support Package](#)
- b. are listed on a public securities exchange (e.g. Australian Securities Exchange), or are wholly or partially (greater than 20%) owned by an entity listed on a public securities exchange
- c. operate in more than one country (multinational corporations), or are part of a group which operates in more than one country
- d. are government entities, or are wholly owned by a government entity; or
- e. are in liquidation or provisional liquidation.

Only one application can be submitted for a single ABN. Only one application is permitted where there are multiple businesses under a single ABN, or where a single business holds multiple ABNs.

## Eligible costs

Eligible costs include, but are not limited to:

- a. equipment, materials and labour costs for the clean-up, removal, and disposal of debris from the business premises, as a *direct result* of the *disaster event*
- b. costs to replace or restore business assets damaged as a *direct result* of the *disaster event*
- c. costs to support the business improve its *resilience* to *natural disasters* through:
  - i. purchase, installation or construction of more *resilient* business assets,
  - ii. capability uplift of employees to improve the business' ability to respond to *natural disasters*, or
  - iii. feasibility studies relating to business resilience or other *resilience* planning for future *natural disasters*
- d. purchase or leasing of equipment to enable the immediate resumption of the business within the *Northern Rivers*
- e. leasing of temporary premises to enable the immediate resumption of the business within the *Northern Rivers*
- f. marketing and communication to advertise the resumption of the business
- g. replacing lost or damaged stock as a *direct result* of the *disaster event*
- h. insurance excesses paid as a result of an insurance claim for assets damaged as a *direct result* of the *disaster event*; and
- i. *working capital*, including salaries and wages for employees who commenced employment prior to 22 February 2022, to enable these employees to remain employed during the re-establishment of the business.

**Ineligible costs**

Ineligible costs include costs that:

- a. a business is entitled to make a claim for under an insurance policy
- b. relate to Goods and Services Tax (GST)
- c. have been recovered from any other source (e.g. another grants program)
- d. relate to payment of dividends or returns to shareholders
- e. relate to the payment of bonuses
- f. relate to the repayment of loans or other financial liabilities to financial institutions or government agencies; or
- g. relate to the retrenchment of employees.

## Part C: Funding arrangements

### 5. Funding

A total of \$44.3 million of Commonwealth-only funding is available under this **Anchor Business Support Grants Program**.

Applicants can include up to three (3) funding proposals within their application. Applicants should identify which is their preferred funding proposal option in their application.

An applicant may receive funding for all of the activities within a funding proposal, some of the activities within a funding proposal, or a combination of activities across funding proposals submitted. It is recommended applicants consider high, medium and lower cost funding proposals within their application, to enable consideration of a range of options within the funding available. Each funding proposal may include a variety of eligible costs.

There is no limit on the value of the funding requested for each funding proposal submitted within an application, up to the total value of the **Anchor Business Support Grants Program**. However, it is expected multiple eligible businesses will receive a Grant.

Applicants are strongly encouraged to co-contribute to their proposed funding proposals. Any applicant's offer of a financial contribution of 50 per cent or greater may assist in having a funding proposal approved, subject to all other assessment criteria. This may include in-kind support.

Grants are expected to be fully expended by eligible businesses by 30 June 2023.

Successful applicants will be required to enter into a Funding Deed with DRNSW. This Funding Deed will include reporting and payment milestones tailored to the nature of the approved funding proposal

Grants are taxable.

## Part D: Administration and monitoring

### 6. Application process and key dates

Applications will open in June 2022 (date to be confirmed).

Applicants will be required to complete an online application form through DRNSW. Evidence requirements are outlined in Section 7.

Applicants should note that information received in connection with an application may be used and communicated outside of DRNSW for due diligence purposes and may also be provided to the Commonwealth Government and third parties engaged by DRNSW to assist with the assessment and processing of the applications received, together with program monitoring, reporting, auditing and evaluation purposes.

### 7. Assessment and approval process

#### Assessment criteria

Grant applicants will be assessed and prioritised against the following criteria:

1. **Damage (40%):** the extent to which the business has been impacted through damage to their assets, as a *direct result* of the *disaster event*
2. **Employment (30%):** the extent to which the funding proposal supports employment within the *Northern Rivers*, both during the delivery of activities within the funding proposal, and through ongoing business operations once normal operations resume
3. **Resilience (20%):** the extent to which the funding proposal builds business *resilience* to *natural disasters*
4. **Co-contribution (10%):** the extent to which the business is co-contributing to the costs associated with the funding proposal.

In addition to the above criteria, applicants will be required to demonstrate they comply with these Grant Program Guidelines, including providing evidence that the business is *financially viable*.

#### Evidence requirements

Businesses should demonstrate they meet requirements by providing:

Business eligibility	<ul style="list-style-type: none"><li>● Proof of identification for individual submitting the application.</li><li>● Corporate/legal structure of the business.</li><li>● Single Touch Payroll (STP) Report for the payroll period immediately prior to 22 February 2022.</li><li>● Report from the business payroll system which includes the number, location, and employment basis of employees, and reconciles to the STP Report.</li><li>● Statutory declaration which states:</li></ul>
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	<ul style="list-style-type: none"> <li>○ the individual submitting the application is authorised to act on behalf of the business; and</li> <li>○ the business intends to continue operating or re-establish operations within the <i>Northern Rivers</i>, as their main business location.</li> <li>● Details of insurance policies held by the business, and any correspondence with the insurance provider(s) in relation to the <i>disaster event</i>.</li> <li>● Permission for a DRNSW representative to speak to the insurance company about the policies held by the business.</li> </ul>
Funding proposal eligibility	<ul style="list-style-type: none"> <li>● A detailed description of each option submitted within the application which includes: <ul style="list-style-type: none"> <li>○ description and scope of the funding proposal</li> <li>○ how the funding proposal meets the intent of the Guidelines</li> <li>○ the risks and mitigation strategies for the funding proposal</li> <li>○ detailed costing for the funding proposal including any quotes/invoices already received; and</li> <li>○ funding applied for and any co-contribution by the business.</li> </ul> </li> </ul>
Damage	<ul style="list-style-type: none"> <li>● Evidence of damage to the business as a <i>direct result</i> of the <i>disaster event</i> which may include: photographs, insurance assessment reports, damage assessment reports, quotes for replacement/restoration of business assets.</li> </ul>
Employment	<ul style="list-style-type: none"> <li>● Estimate of temporary Full Time Equivalent employment created or maintained within the <i>Northern Rivers</i> during the delivery of activities within the funding proposal.</li> <li>● Estimate of ongoing Full Time Equivalent employment by the business within the <i>Northern Rivers</i> once the business returns to normal operations.</li> </ul>
<i>Resilience</i>	<p>The evidence requirements will depend on the type of <i>resilience</i> building activities proposed and may include:</p> <ul style="list-style-type: none"> <li>● engineering reports and construction designs for proposed assets or equipment</li> <li>● external quotes or invoices</li> <li>● training program materials; or</li> <li>● feasibility study reports.</li> </ul>
Co-contribution	<ul style="list-style-type: none"> <li>● Statutory declaration which states the business has the intention and financial capacity to co-contribute the value proposed.</li> </ul>
<i>Financial viability</i>	<ul style="list-style-type: none"> <li>● Most recent available audited financial statements.</li> <li>● Where audited financial statements are not available,</li> </ul>

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	other evidence of financial viability must be provided. This may include a letter from a qualified accountant as defined in the <i>Corporations Act 2001 (Cth)</i> , supported by a summary of the financial performance and position of the business immediately prior to the <i>disaster event</i> .
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## 8. Reporting, monitoring and evaluation

Evaluating government programs enables the success of programs to be robustly assessed, provides confidence in program integrity, and informs improvements for future programs. Eligible businesses will be required to provide reports, on a quarterly basis at minimum, and partake in an evaluation to support an understanding of the programs' outcomes. Eligible business will also be required to provide a financial acquittal on the completion of the activities. The reporting and evaluation requirements will be outlined and agreed through the Funding Deed entered into by each eligible business and DRNSW.

The evaluation will assess the:

- effectiveness of program design, implementation and delivery
- progress towards achieving program outcomes; and
- alignment of delivered program outcomes to the program objectives.

As required, reporting will be shared with the Commonwealth Government under the DRFA requirements.

## 9. Assurance and acquittal

Eligible businesses will be required to keep an accurate audit trail. Records must be available for seven years from the end of the financial year the last grant payment is paid. For assurance purposes, the Commonwealth Government or New South Wales Government may at any time, via DRNSW, request documentation from eligible businesses to evidence compliance with these Program Guidelines.

## Part D: Definitions

### 10. Definitions

Anchor business	<p>A business which:</p> <ul style="list-style-type: none"> <li>● holds an active Australian Business Number (ABN), registered prior to 22 February 2022</li> <li>● is registered within <i>Northern Rivers</i> per their main business location on the Australian Business Register</li> <li>● employs a minimum of 200 <i>Full Time Equivalent (FTE)</i> employees within <i>Northern Rivers</i> as at 21 February 2022</li> <li>● suffered significant damage to their assets, as a <i>direct result of the disaster event</i>; and</li> <li>● intends to continue operating or re-establish operations within the <i>Northern Rivers</i>, as their main business location.</li> </ul> <p>A business which is not:</p> <ul style="list-style-type: none"> <li>● listed on a public securities exchange (e.g. Australian Securities Exchange), or wholly or partially (greater than 20%) owned by an entity listed on a public securities exchange</li> <li>● operating in more than one country (multinational corporation), or is part of a group which operates in more than one country</li> <li>● a government entity, or owned by a government entity; or</li> <li>● is in liquidation or provisional liquidation.</li> </ul>
Business	An individual, partnership, co-operative, company or trust that is carrying on a business with an active ABN per the Australian Business Register.
Direct result	As defined by the DRFA. Affected by an <i>eligible disaster</i> and located within the <i>Northern Rivers</i> .
Disaster event	AGRN 1012: <i>NSW Severe Weather and Flooding: 22 February 2022 onwards</i>
DRFA	Disaster Recovery Funding Arrangements, 2018.
Financial viability	Financial viability can be defined as a business' ability to generate sufficient income or have sufficient financial resources in place to meet its financial obligations.
Full Time Equivalent (FTE)	An employee who usually works 35 hours or more a week, as defined by the Australian Bureau of Statistics.
Natural Disaster	As defined by the DRFA. One, or a combination of the following, rapid onset events: bushfire, earthquake, flood, storm, cyclone, storm surge, landslide, tsunami, meteorite strike, or tornado.
Northern Rivers	The Local Government Areas of Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed Shire.

Region	<i>Northern Rivers.</i>
Resilience	As defined within the Sendai Framework for Disaster Risk Reduction 2015-2030. The ability of a system, community or society exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management.
Working capital	As defined by the DRFA. The amount required to continue the business', operations for the next 12 months or until the next major income is received, and may include: <ul style="list-style-type: none"> <li>● salaries and wages</li> <li>● paying creditors</li> <li>● paying rent and rates</li> <li>● procuring fodder or water for livestock or produce</li> <li>● procuring alternative transport for livestock and produce; and</li> <li>● fuel and other supplies essential to the business or primary production operation.</li> </ul>