



LATE ITEMS PERFORMANCE & SERVICE COMMITTEE MEETING

AGENDA

26 MAY 2015

Your attendance is required at a meeting of the Performance & Service Committee to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 26 May 2015 commencing at 9.00am for transaction of the enclosed business.

A handwritten signature in black ink, appearing to be "C. R.", is written over a horizontal line.

CHIEF EXECUTIVE OFFICER
25 May 2015

Next Meeting Date: 23.06.15

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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9 STRATEGIC REPORTS

9.7 NATIONAL STRONGER REGIONS FUND ROUND 2

File No:	7322
Attachments:	Nil
Authorising Officer:	Martin Crow - Manager Engineering Services Robert Holmes - General Manager Regional Services
Author:	Angus Russell - Coordinator Strategic Infrastructure

SUMMARY

The report provides information on Round Two of the National Stronger Regions Fund programme.

OFFICER'S RECOMMENDATION

THAT Council notes the eligibility requirements and criteria for Round Two of the National Stronger Regions Fund programme.

COMMENTARY

Round Two of the National Stronger Regions Fund programme has now opened and applications are required to be submitted by 31 July 2015. Council's application to Round One for the Rockhampton Riverfront Streetscaping and Parkland Extension project was unsuccessful. This report provides background information on programme to assist Council in deciding what projects might be submitted in Round Two.

BACKGROUND

The National Stronger Regions Fund (NSRF) Round Two has opened and applications close on 31 July 2015. Announcement of successful projects is expected in December 2015 and projects need to be completed by 31 December 2019.

Grants of between \$20,000 and \$10 million are available but must be matched with cash contributions on at least dollar-for-dollar basis with all partner funding needing to be confirmed. Applicants can submit two applications in Round Two.

NSRF funding will be provided for capital projects which involve the construction of new infrastructure, or the upgrade or an extension of existing infrastructure. The replacement of existing infrastructure will only be eligible where there is a demonstrated significant increase in productivity.

The project must deliver an economic benefit to the region beyond the period of construction. Projects should support disadvantaged regions or areas of disadvantage within a region.

In Round Two, \$25 million is quarantined for those projects seeking funding of \$1 million or less and assessed as being value for money.

Clarification was sought in Round One on the possible use of Council's workforce and internal plant hire for construction. Council has been advised this would only be considered as an in-kind contribution and as such could not be used as matching cash funding. This suggests a focus on employment of contractors.

Given the timing of announcement of successful projects and the time it takes to get funding agreements in place, works on NSRF Round Two projects would be unlikely to commence until the 2016/17 financial year.

The selection criteria for the NSRF include:

- the extent to which the project contributes to economic growth in the region;
 - the extent to which the project supports or addresses disadvantage in the region;
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- the extent to which the project increases investment and builds partnerships in the region; and,
- the extent to which the project and proponent are viable and sustainable.

The final criteria above includes consideration of whether the project is “investment ready”, that is will be able to commence within 12 months of signing the funding agreement.

RDA Committees can assist applicants in identifying and developing projects and are not involved in the appraisal or prioritisation of projects.

Following an appraisal of the eligible applications, the Department provides advice to the Ministerial Panel on the individual and relative merits of each application and whether, based on its analysis, funding the project would be a proper use of public resources. Copies of the application, supporting documents, outcomes of the Department’s appraisal and any other information which the Department considers relevant will also be provided.

The Ministerial Panel will consider the advice of the Department and supporting information, and make decisions on projects to be funded in consultation with the National Infrastructure Committee of Cabinet.

In addition to the application, supporting material and outcomes of the Department’s appraisal, the Ministerial Panel and the National Infrastructure Committee may take other factors into account when making decisions on projects to be funded, including, but not limited to:

- the broader regional reach of the programme;
- the broader regional reach of the project;
- other similar existing or planned infrastructure in the region to ensure that there is genuine demand and/or no duplication of facilities or services;
- other infrastructure or planned infrastructure projects in the region, and the extent to which the proposed project supports or builds on those projects and the services that they offer;
- the likelihood of the project proceeding without NSRF funding; and
- the Australian Government’s priorities.

The Ministerial Panel may require additional conditions and management strategies be attached to the grant funding based on its own knowledge, the outcomes of the assessment and the risk analysis. It may also offer a different amount of grant funding to that requested by the Applicant.

PREVIOUS DECISIONS

Council has previously resolved to submit the Rockhampton Riverfront Streetscaping and Parkland Extension project to Round One of the NSRF.

BUDGET IMPLICATIONS

The NSRF requires at least dollar for dollar cash contributions toward the project and, as a consequence, will have a direct impact on Council’s budget. Projects are unlikely to commence construction until the 2016/17 financial year, so project allocations will need to be made in that year and subsequent years depending on the projects submitted and the success of the applications.

CONCLUSION

Council will need to consider and decide what projects to submit to Round Two of the National Stronger Regions Fund in the context of the programme’s guidelines and Council’s budgets.