

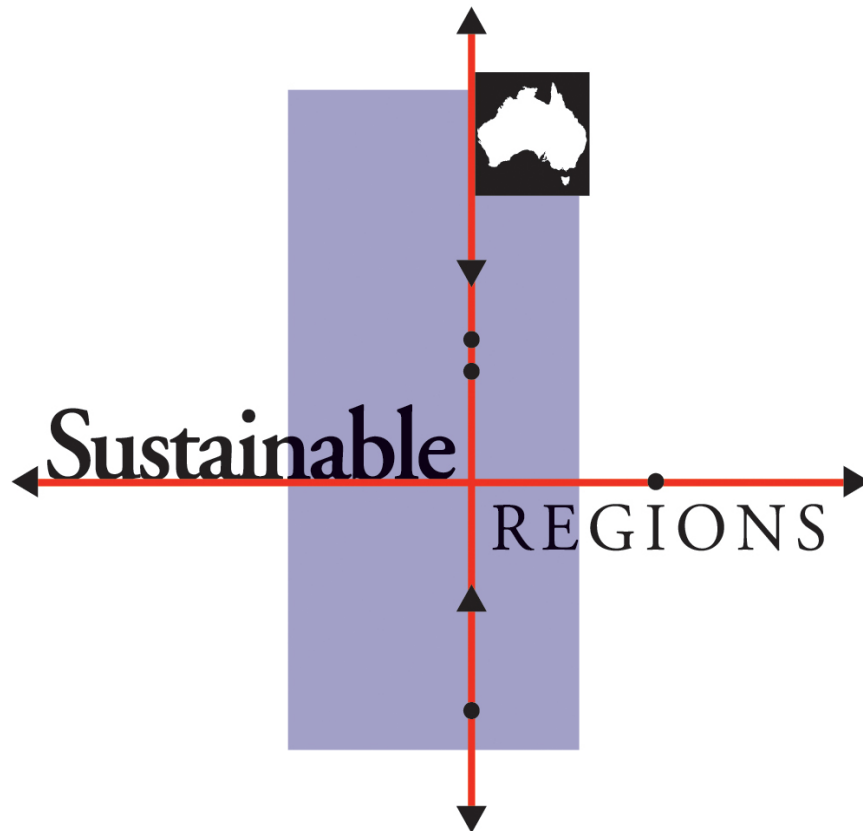


Australian Government

Department of Transport and Regional Services

# SUSTAINABLE REGIONS PROGRAMME

## INTERNAL PROCEDURES MANUAL



[www.sustainableregions.gov.au](http://www.sustainableregions.gov.au)

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## **What is the Sustainable Regions Programme?**

The *Sustainable Regions Programme* is the major initiative under the *Stronger Regions, A Stronger Australia* Statement announced by the Deputy Prime Minister and Minister for Transport and Regional Services, the Hon John Anderson MP in August 2001.

The Government believes that Australia needs strong and prosperous regions - now and into the future and that regional Australia should be recognised for its contribution to the nation's economic and social wellbeing.

Rapid advances in technology, environmental issues, social change and changes in global markets are challenging regional communities. Regional, rural and remote communities have strongly indicated that they are in the best position to understand their needs and opportunities in responding to changing circumstances.

The Programme supports designated regions across Australia to lead their own development in accordance with locally established priorities. It assists selected regions plan for their future, build capacity for strategic and informed decision making at the regional level and contributes to the implementation of significant projects that can make a real difference to economic opportunity and quality of life.

The desired outcomes in the selected regions are:

- Improved understanding of the characteristics of the region
- Identification of future directions
- Creation of employment
- Establishment of businesses
- Provision of key resourcing for sustainable development
- Closer community interaction
- Partnerships between the private sector and government for the sustainable development of the region
- Develop the leadership and capacity to address regional priority issues and develop local solutions

## **What are the Sustainable Regions?**

Assistance under the Programme is being provided to ten regions around Australia.

The following eight regions will receive funding until 30 June 2006:

- **Far North East NSW** (funding of up to \$12 million)  
Local Government Areas – Tweed, Ballina, Byron, Lismore and Kyogle
- **Campbelltown/Camden, NSW** (up to \$12 million)  
Local Government Areas – Campbelltown and Camden
- **Gippsland, VIC** (up to \$12 million)  
Local Government Areas – Latrobe, Bass Coast Shire, Baw Baw (eastern portion), South Gippsland, Wellington and East Gippsland
- **Atherton Tablelands, QLD** (up to \$18 million)  
Local Government Areas - Atherton, Eacham, Herberton and Mareeba
- **Wide Bay Burnett, QLD** (up to \$8 million\*)  
Local Government Areas – Biggenden, Bundaberg, Burnett, Cherbourg Community Council, Cooloola, Eidsvold, Gayndah, Hervey Bay, Isis, Kilkivan, Kingaroy, Kolan, Maryborough, Miriam Vale, Monto, Mundubbera, Murgon, Nanango, Perry, Tiaro, Wondai, Woocoo and Yarraman District of Rosalie Shire.  
(\* in addition to \$4 million allocated under the Wide Bay Burnett Structural Adjustment Package)
- **Kimberley, WA** (up to \$12 million)  
Local Government Areas - Broome, Halls Creek, Derby West Kimberley and Wyndham East Kimberley
- **Playford/Salisbury, SA** (up to \$12 million)  
Local Government Areas – Playford and Salisbury
- **Cradle Coast (North West & West Coast Tasmania) -** (up to \$12 million)  
Local Government Areas – King Island, Circular Head, Waratah/Wynyard, Burnie, Central Coast, Devonport, Latrobe, Kentish and West Coast

In September 2004, two new regions were announced as a Coalition election commitment. These regions will receive funding until 30 June 2008:

- **Northern Rivers and Northern NSW** (\$12 million)  
Local Government Areas - Kempsey, Nambucca, Bellingen, Coffs Harbour, Clarence Valley and Richmond Valley.

- **Western QLD and Western NSW** (\$21 million)  
Local Government Areas - **QLD**: Aramac, Barcaldine, Barcoo, Blackall, Boulia, Bulloo, Diamantina, Ilfracombe, Isisford, Jericho, Longreach, Murweh, Paroo, Quilpie, Tambo, and Winton. **NSW**: Balranald, Bogan, Bourke, Brewarrina, Broken Hill, Carrathool\*, Central Darling, Cobar, Hay\*, Unincorporated NSW and Wentworth  
(\*That part of the Shire that lies west of the Lachlan River)

**Overview of the Sustainable Regions Programme Expression of Interest and Application process: (note this may vary slightly from region to region):**

- The SRAC calls for Expressions of Interest (eg, newspaper ad). The Executive Officer (EO) is available to answer inquiries from interested applicants.
- The EoI is broadly assessed against the project assessment criteria and regional priorities by the EO and a recommendation is made to the SRAC.
- The SRAC determines which EoIs should be invited to submit a full application.
- The EO works with the proponents to develop and finalise a detailed formal application. DOTARS is available to assist where broader whole of government issues are relevant to the application.
- The EO provides advice to the SRAC to assist it in objectively analysing and assessing funding applications received from the community.
- The applications are fully and competitively assessed by the SRAC against the Sustainable Regions criteria and the region's priorities (see Attachments A and B).
- DOTARS confirms the recommended project proposals match the selection criteria and conducts any required due diligence checks.
- The SRAC Chair writes to the Minister for Transport and Regional Services with the SRAC recommendations.
- The Department provides advice to the Minister on the SRAC recommendations and seeks the Minister's decision.

## **The role of the Sustainable Region Advisory Committees (SRACs)**

Each region is led by a locally based Sustainable Region Advisory Committee (SRAC) generally comprising business, community and local government representatives. Their role is to advise the Minister on matters relating to the implementation and management of the *Sustainable Regions Programme*, including assessment and recommendation of projects.

Each Committee conducted a community consultation process to establish priority areas for action for their region. Applications under the Programme must address one or more of these priority areas.

While each region has differing priorities, some common themes to emerge across the regions include job creation opportunities, a regional identity, education and training at all levels, community development, sustaining the environment, value adding to existing and growing industry, and establishment of new industry.

## **The role of the Regional Office**

Each Regional Office will be responsible for at least one region under the Sustainable Regions Programme:

- Atherton Tablelands QLD, Townsville Office
- Campbelltown-Camden NSW, Wollongong Office
- Cradle Coast TAS, Hobart Office
- Far North East NSW, Brisbane Office
- Gippsland VIC, Melbourne Office
- Kimberley WA, Perth Office
- Playford/Salisbury SA, Adelaide Office
- Wide Bay Burnett WA, Brisbane Office
- Northern Rivers and Northern NSW, TBA
- Western QLD and Western NSW, TBA

Each Regional Office is responsible for managing the Departments' relationship with their region and being the first point of contact between the region and the Department. DOTARS regional offices are also responsible for;

- Project assessments, draft briefings to the Minister and letters to applicants/MPs etc;
- Financial due diligence checks
- Funding agreement preparation, management and variation;

- Project monitoring and regular site visits;
- Project reporting and milestone payments;
- Primary TRAX recording, and;
- Finalisation and evaluation of project.

### **The Role of the National Office**

The DOTARS National Office maintains consistency across the ten regions. National Office is responsible for;

- Quality assurance and packaging of assessments for the Minister's consideration;
- Announcement of approved projects;
- Coordinating Ministerial attendance at launches and openings;
- Managing overall expenditure projections;
- Policy and operational guidance, maintenance of procedures and manuals;
- Funding agreements for larger private sector applications and applications that extend across a number of regions;
- Performance improvement, and
- Centrally maintaining IT and updating websites.
- Evaluating the efficiency and effectiveness of the Sustainable Regions Programme

### **The role of the Executive Officer to the Sustainable Region Advisory Committees**

Each SRAC is supported by an Executive Officer who reports to the SRAC Chair. The Executive Officer provides information on the *Sustainable Regions Programme* to the local community, assists applicants with developing and preparing project proposals, and enters projects on TRAX (the online grants management system). The EO also assists in the ongoing monitoring of projects.

### **SRAC assessment of projects**

SRACs hold regular meetings to assess project applications. Before the SRAC meeting, the application is assessed by the Executive Officer against the project assessment criteria and the regional priorities (See Attachments A and B). At this time, the EO should also enter the project application and their assessment of the project onto TRAX. The Executive Officer will make a recommendation to the SRAC and present it at the meeting. The SRAC will then discuss the project and make their own assessment against the project assessment criteria and the regional priorities. Key considerations for SRACs when assessing projects include:

- Project sustainability.
- The extent to which the project will be of benefit to the region.
- Competitive neutrality.
- Project viability.

Once the SRACs have considered these issues, if they decide a project addresses the project assessment criteria and their regional priorities, the Chair of the SRAC will ask the Department to conduct a due diligence assessment of the project if necessary.

## **Due Diligence**

Due diligence checks are conducted on applicants project proposals prior to the SRAC recommendations being presented to the Minister for approval. Due diligence checks are carried out by the Regional Office. Due diligence refers to the process of appropriately assessing an organisation's financial or corporate history and the viability of the proposed project, where appropriate. It is a legal obligation of the Commonwealth to ensure its financial assistance is distributed responsibly.

Due diligence is generally done for private sector projects, however there may be circumstances where due diligence is not undertaken such as when another area in the Department has dealt with the company in another Programme, or if they are a large, established company with very minimal risk. This will be a judgement call for each project and all decisions regarding due diligence should be made in consultation with the Director of Sustainable Regions. For other projects (eg local government, not for profit, universities etc), circumstances in each case are considered in determining whether due diligence is necessary.

There are three levels of due diligence checks:

- 1) A **Lawpoint Check** for applicants seeking funding of approx <\$50,000
- 2) A **Company Viability Check** for applicants seeking funding of approx \$50,000 - \$500,000
- 3) A **Company and Project Viability Check** for projects over \$500,000

### **Lawpoint Check**

A Lawpoint check will be used generally when a proponent is asking for less than \$50,000. Lawpoint is a privately run website that offers financial information about companies and company appointed officers (ie directors, shareholders, etc).

The information is relatively basic, and will only contain information on the public record. Useful information will include the corporate status of a business that may be applying for a grant or the applicants that may be proposing it, whether or not annual reports have been submitted or whether a director has been bankrupted or ASIC-reprimanded.

When accessing information, it is important to print it out, as returning to the site at a later time will incur another charge. Previous searches can be accessed without incurring repeated charges provided it is in the same day.

Lawpoint charges per piece of information accessed and usual checks will cost about \$35.



The Lawpoint website is located at [www.lawpoint.com.au](http://www.lawpoint.com.au).

The username is \*\*\* and the password is: \*\*\*\*\*.

Lawpoint will not make recommendations on funding. Instead the Programme officer will refer to the information in assessing the project, and may raise it in a minute to the Minister if significant or provide feedback to the SRAC.

### **Step-by-Step**

- Obtain the Project File and determine which applicant/s and company/companies are required to be checked.
- Access the Lawpoint website with the correct password and print off the information.
- File the information on the Project File.

### **Company Viability Check**

A Company Viability Check will generally be used when an applicant is asking for between \$50,000 and \$500,000. These checks are more thorough than the Lawpoint check and include analysis of financial information and a rating of the relative risk/health of the company. An external company is used by DOTARS to complete these checks.

The assessors investigate the applicant using their own resources and prepare a report for DOTARS to consider. Our role is to provide them with the relevant information with which to conduct the checks.

The information the assessors require is:

- 3 years of audited financial reports
- statement of cash flow
- statement of assets
- bank statements
- proof of loan approvals
- director details and contact information
- referees

(These requirements are set out on the 'financial viability assessment information sheet' template. Copies should be made as the assessors do not return original documents.)

The charge depends on the complexity of the checks, but it is usually in the vicinity of \$230. Typically, it takes one week for them to conduct the checks, although they can be done within 48 hours if necessary.

The applicants should be informed that due diligence checks are being conducted on their project. In some cases it will be necessary to obtain subsequent financial information from the applicant in order that the assessors checks can be completed.

The assessors use a certain methodology to undertake the checks. It is possible an applicant could supply figures in such a way as to distort the results of the check. Therefore it is essential not to release the assessors name in order to maintain the integrity of the methodology and produce accurate results.

### **Templates available (in the Due Diligence folder under Sustainable Regions Ops)**

Financial Viability Assessment Cover Sheet  
Request for Further Information e-mail

### **Step-by-step**

- Obtain the Project File.
- Fill in 'Financial Viability Assessment Cover Sheet' form.
- Contact proponents if any information is absent.
- Contact the assessors and fax or mail them the relevant documents.
- When the assessors report is returned, attach it to the Project File.

### **Company and Project Viability Assessment**

Company and Project Viability assessments will generally be commissioned by the Regional Office when a project is applying for greater than \$500,000 (and in some circumstances for lesser amounts). However, these checks will be undertaken on a case by case basis with the approval of the DOTARS delegate.

This assessment will include a comprehensive report of both the applicant/company and of their project proposal. Given that these assessments can cost around \$5,000, a tender process of consultants in the area must occur.

Given the nature of our Sustainable Regions and the specialist knowledge some applications require, three tender options are available.

A **general tender** can be advertised externally and all interested parties may apply.

A **select tender** would involve contacting several (usually three) relevant consultants and inviting them to tender.

A **sole tender** would be used when there is only one consultant that, for reasons of location or product knowledge, can be used.

It is preferable to find a consultant in or near the relevant Sustainable Region but not compulsory.

Advice on consultants and product knowledge can usually be obtained by DOTARS State or Regional Offices or the local Area Consultative Committees.

Tendering will involve putting together a tender brief or advertisement. The Tender brief will include sufficient detail for business to be able to assemble a quotation. When a

tender is selected, a Minute must be prepared explaining the choice and outlining the cost, and be approved by the DOTARS delegate.

When a company is selected, a contract should be prepared and all relevant information forwarded to the company. Permission should be sought from the applicant to have their application forwarded to the consultant.

When the consultant has concluded the checks, a report should be compiled and forwarded to the Department. The Report must be placed on the project file.

Information and templates on tendering and selection of submissions can be found on the intranet, under <http://intranet/Legal/Advisory/Default.htm>

An average timeline for a company and project viability assessment would be:

- Five working days for a consultant to prepare a quote
- Five working days for DOTARS to evaluate the quotes and make a recommendation to the DOTARS delegate
- Ten working days for the consultant to conduct the due diligence.

### **Step-by-step**

- Obtain Project File.
- Decide on type of tender
- Write and distribute tender brief.
- Evaluate tenders and made recommendation to DOTARS delegate
- Notify tenderers of the result
- Seek applicants' permission to give their details to tenderer
- Receive consultant's report and place it on the Project File.

### **Templates available**

Tender brief for consultants

Letter to successful consultant

Letter to unsuccessful consultants

Minute to DOTARS delegate regarding sole tender

Minute to DOTARS delegate regarding recommended tender

Standard Contract for tenderer

Authorisation from applicant to undertake due diligence

Privacy statement for tenderer

Assessment criteria for tenders

Once the due diligence results are received, you will need to enter these results in TRAX.

## **SRAC recommendation of projects**

If the SRAC is satisfied with the due diligence results, the SRAC Chair will make a recommendation for project funding (this may be less than the amount requested) to the Minister for Transport and Regional Services.

The letter from the Chair of the SRAC to the Minister recommending a project should include the following information:

- A brief project description of the recommended project(s)
- A statement that the project(s) are a strong fit with the regional priorities and has received a satisfactory due diligence assessment (or explanation as to why due diligence is not considered necessary)
- The amount requested by the applicant
- The amount recommended GST exclusive
- Any conditions on the funding

If the SRAC is not recommending a project that was considered at the SRAC meeting, details of the project(s) will also need to be included in the Chair's letter including:

- A brief project description of the not recommended project(s)
- The reason the project was not recommended (this should relate to the project assessment criteria and the regional priorities)
- The amount requested by the applicant

Before the project recommendations and non-recommendations are presented to the Minister, you will need to check the Executive Officer has entered the project and their assessment of the project into TRAX (this is a condition of their budgets). The Department should not draft the Minute until the EO confirms this has occurred. You will also need to enter a Project Officer assessment in TRAX.

## **Preparing a Briefing packaging for Ministerial decision**

Once the Regional Office has received the letter from the SRAC Chair to the Minister presenting project recommendations, you will need to draft a Minute to the Minister. The draft minute will need to be forwarded through National Office for quality assurance.

## **What to include in the Minute**

- A statement of the number of approved projects and value of funding in the region to date (also included in Attachment B in the Minute, project status table).
- Information on the meeting where the project(s) were considered (including date and place)

- A brief description of the project(s) including amount of funding sought in the application, the total project funding and the due diligence results (if you need more than a brief description, you may wish to provide this information as an attachment)
- A statement that the project(s) meet the regional priorities
- Any conditions placed by the SRAC on the funding.
- The amount recommended GST inclusive.

**Attachments to be included:**

- Letter from Chair (usually Attachment A in the Minute)
- Project Status Table (usually Attachment B in the Minute)
- Letter to the local MP and/or Senator
- Letter to SRAC Chair
- Draft letter to successful applicant (See Attachment C of the procedures manual)
- Draft media release with a brief project description, which needs to be cleared through the Communications Unit before the Minute goes up.

**Approval process**

On return of signed approval from the Minister’s Office, you will need to complete a Register of SR Projects Template (Attachment D) and update TRAX to record the Minister’s decision. The full Approval Steps are outlined below.

The Minister may ask the local MP or a Senator to advise the successful proponents and to make an announcement on behalf of the Government.

**Approval Steps**

- The signed minute is returned to the Regional Office through the National Office.
- Fill in the ‘Register of New Projects’ template (**Attachment D**). This provides information for the Discretionary Grants Central Register (DGCR), PROFET, and the Sustainable Regions Programme website.
- Draft a letter to applicants whose projects were ‘Not approved’ to be signed by the Assistant Secretary, Programmes Operations Branch.
- Contact successful applicants within ten working days of receiving notification of funding approval with a draft funding agreement.
- Enter the Minister’s decision into TRAX
- Create a registry file with the following naming convention: Sustainable Regions, name of region, name of project.

Eg Sustainable Regions Far North East NSW Fish Unlimited Project

Initial information that should be on the project file includes:

- The final version of the application.

- Due diligence information and results.
- The Executive Officer's project assessment.
- The letter of recommendation from the SRAC Chair.
- A copy of the project Minute signed by the Minister.
- A copy of the Minister's letter to the successful applicant and the SRAC Chair.

As the project proceeds, all relevant documents including correspondence, milestone reports, invoices etc should be placed on file

### **What are Funding Agreements?**

Funding recipients will be required to enter into a Funding Agreement with the Australian Government (represented through the Department).

The Sustainable Regions Programme uses the Short Form Standardised Funding Agreements (for grants under \$50,000) and the Long Form Standardised Funding Agreement (for grants over \$50,000). These were developed by the More Accessible Government initiative and are used by many other government agencies.

Both Funding Agreements consist of a generic set of clauses and a set of schedules. The Schedules will contain the project information and are used to tailor the otherwise-generic document to the specific requirements of the project.

Some of the clauses in the Funding Agreement are optional. The Departmental guide to the Funding Agreement contract can be used as a reference guide. **This is not to be shared with external parties on advice from the Attorney's General Department as it may be misconstrued as legal advice.**

A copy of both template funding agreements and guidelines for usage are available on the G drive under the 'legal and contracts info' folder.

### **Funding Agreement preparation**

Following approval of funding, the Minister writes to the applicant to advise the project has been approved. The Regional Office should not begin contract negotiations with the funding recipient until a public announcement has been made. (If there are exceptional circumstances, you can organise a confidentiality agreement with the funding recipient and conduct contract negotiations on the basis that they not publicly discuss their funding recipient status).

You should aim to have the Funding Agreement negotiations finalised within 30 days from when the applicant finds out their funding has been successful. (The Minister's letter to the applicant will usually state that they must complete contract negotiations within two months or else a review of the funding will occur.)

Key documents to be referred to when drafting a funding agreement are:

- The funding recipient's application form and any other explanatory documentation used during the application process
- The due diligence report on the project – it may raise issues that should be considered when setting milestone payments
- The Minute to the Minister that approves the project – the Minister's approval may have been subject to conditions, or the Minister may have made annotations that affect the funding.

You should correspond with the funding recipient via email where possible. This will create an easily filed record of when and why particular decisions were made, and what the key issues were during contract negotiations.

### **Milestones and Payments**

The project will need to be broken into several milestone periods with corresponding payments attached to each milestone report. The number of milestone reports with corresponding payments as well as a list of activities (outputs) to be completed during each milestone period should be listed in the Milestone and Payments Table.

To prepare the Milestone and Payment Table, you will need to refer to the Milestone table in the funding recipient's application form. (In the event that the dates specified in the table are obsolete due to a long assessment phase, you may need the funding recipient to revise this information). The number of Milestones (and corresponding payments) should be decided on a project-by-project basis. Factors to consider may be:

- What are the critical points in the progress of the project?
- The total amount of funding.
- The duration of the project.
- Any risks to the project that were identified during due diligence.
- Conditions imposed by the Advisory Committee, the Department or the Minister.
- The timing of the applicant's contribution to parts of the project.

Payments should be designed to minimise the risk to the Department should a problem occur throughout the life of the project. For more information on risk management guidelines and ANAO Grants Management Better Practice Guide at [www.anao.gov.au](http://www.anao.gov.au).

Generally, a first payment is made on signing of the Funding Agreement to get the project started. The amount of the first payment is to be considered in light of the project circumstances. Subsequent payments should be made on the completion and satisfactory acquittal of the previous milestone report. You should ensure the applicant has a copy of the Milestone reporting template (Attachment E) so they are aware of our reporting expectations.

A small amount of money (approx 5-10% of the total funding) should be held back until the receipt and assessment of the final report. This amount should be flexible according

to the needs of the applicant or nature of the project (hold back a smaller amount for community organisations).

### **Reporting requirements and performance measures**

There are two sets of reporting required under the Programme; regular milestone reporting (which measures progress) and outcomes reporting (which measure success). Both sets of information are crucial for assessing the success of the individual project as well as the overall evaluation of the Programme. Both of these should be listed in the Reporting Table.

The first set of reporting is required at the completion of each milestone and may include the following information:

- A report on the activities (outputs) specified in the Milestone that should have been completed by that time
- Copies of invoices proving that the Programme funding has been spent according to the contract and that other contributions to the project have been made.
- Copies of invoices proving that the funding recipient has spent their contribution according to the contract.
- Any other requirements stated in the contract (these might also be preconditions for funding).

The satisfactory acquittal of this information will usually release the next milestone payment. This allows the project officer to check that the previous Programme funds were spent in accordance with the contract before releasing the next funding.

The second set of information reports of the outcomes of the project, and usually refer to the objectives of the project. Objectives should be included in the project description section of the funding agreement and can usually be extracted from question 15(b) and (d) of the application form.

This sort of information may be required at each milestone report, or just at the completion of the project. Key considerations for this information may be:

1. How will I know when the project is successful?
2. What performance measure can I use to quantify/qualify the success?
3. Who will collect the information and when?

The final reporting task (See Attachment H for a template) is a report against the objectives of the project and should contain the following information:

- A summary report of the overall implementation of, and outcomes from the project;
- A detailed statement of the extra jobs that have been created as a result of the Project at the time of the report; and
- A detailed projection of the long-term jobs in the region which will/may arise as a result of the Project each year over the next five years



Funding recipients should be made aware that they will be required to collect information (both qualitative and quantitative) that evaluates the success of their project immediately after their project is completed and after the contracted period has expired.

An audited report is then due within two months from the receipt of the final report and needs to include:

- An independently audited statement of receipts and expenditure in respect of the Funding, carried out by an Approved Auditor and in compliance with the Australian Auditing Standards;
- A certificate stating that all Programme funding received was expended for the purpose of the Activity; and
- A statement outlining total ‘Other Contributions’ to the project, both cash and in-kind;
- A certificate stating that all salaries and allowances that were paid to employees during the Activity period were in accordance with any applicable award or agreement in force under any relevant law or industrial workplace relations.

### **Funding Agreement - Other issues**

**Budget:** the budget in the application form will provide information for this section. If the SRAC has recommended a lesser amount than the original application, you may need to ask the applicant to submit a new budget page. You should keep in mind that the budget should be proscriptive enough to specify what the funds should be spent on but flexible enough to accommodate reasonable contingencies and under/overspends.

**Execution Clauses:** For funding of <\$500,000, the Director, Sustainable Regions Operations will be the delegate. For amounts of over \$500,000, the Assistant Secretary, Regional Operations Branch (or another Branch Head) will need to sign the Funding Agreement.

### **Funding Agreement steps**

1. Send the funding recipient the draft Funding Agreement for comment and ask for bank account details. This will enable the Department to make EFT payments in line with Government practice. Ask the funding recipient to set up a separate bank account to satisfy the Department that they can clearly and easily identify expenditure of SRP funds (alternatives such as a separate ledger may be appropriate in some circumstances provided the basic requirement of clear and easy identification and tracking of grant funds is met). Ask who will be signing the Funding Agreement on behalf of the organisation.
2. Once the applicant is satisfied with the draft Funding Agreement, finalise any changes and send two copies out to the funding recipient for their signature. Ask them to sign both copies but not to date them and return the signed copies Express Post to the

Regional Office. If there is a payment on signing, ask the applicant to send a tax invoice at the same time.

3. Once the two signed copies are returned to the Department, the DOTARS delegate and a departmental witness should execute the Funding Agreement.
4. Return one copy of the signed Funding Agreement to the funding recipient, with a letter that states when the Funding Agreement commences. Attach the Departmental copy to the project file.
5. Copy the Schedule pages, including the signature page, and fill in the 'Register of SR Projects' template. Give these documents and an invoice (if there is a payment on signing of the Funding Agreement) to the Payments Officer which includes checking vendor details in SAP, obtaining an Internal Order number, and creating a Purchase Order in SAP. When the delegate releases the purchase order, the first payment will be made directly into the funding recipient's account.

### **Funding Agreement Management**

Regional Offices are responsible for the administration of Funding Agreements. Progress payments will be subject to the satisfactory demonstration of project progress against milestones and the acquittal of previous funds as outlined in Funding Agreement schedules.

When a milestone report is received, you will need to assess it using the Milestone Report assessment sheet (See Attachment G).

#### **Milestone report assessment steps**

- Check the funding recipient has achieved the milestone activities listed in the Milestone Output and Funding table.
- Check that the SRP funding is only being used for the budget items specified in the Schedule and not for other costs. If the funds are being used for budget items that have not been specified in the Schedule, ensure that this is thoroughly investigated and resolved before further payments are made.
- If there are other contributions either cash or in-kind associated with the milestone report, check the contributions have been made.
- If everything is okay, sign off the assessment sheet and give approval for the invoice to be paid. A copy of the Milestone Report assessment sheet and the invoice should be placed on the project file.

### **Funding Agreement variations**

When the project gets underway, the funding recipient may need to vary the Funding Agreement. Variations may include extensions of time to complete milestones, changes to the budget or complex changes to the nature of the Activity itself.

All variations to the Funding Agreement must be negotiated, and agreed to in writing between the funding recipient and DOTARS.

Simple variations may take the form of an exchange of letters whereas more complex variations may require the replacement of the superseded Schedule, or Schedule item with an agreed replacement.

Where the proposed project contract changes are significant, an assessment will need to be made as to whether the project should be referred back to the SRAC consideration and a revised recommendation to the Minister.

The steps for writing a variation letter are as follows:

- The funding recipient needs to send in a formal request for a contract variation, outlining what changes they would like to make to the Funding Agreement. Usually the changes involve the timing of the project or the budget.
- Outline the proposed changes in a letter to the proponent from the Director, Sustainable Regions with a signature box included for the funding recipient to sign and the Department to sign if they agree with the proposed changes.
- Once the funding recipient signs the letter, put the letter in to Director, Sustainable Regions for signature.
- Send a copy of the letter to the funding recipient for their records.
- Place the original letter on file. This constitutes the contract variation.

## **Project Monitoring**

The diligent monitoring of milestones is a key part of monitoring a Project. The achievement of agreed milestones is an indicator that the funding recipient is meeting the agreed terms and conditions of their funding.

The Regional Office is responsible for managing the Funding Agreement. This involves desk monitoring and site visits as appropriate, depending on the nature of the project.

### **Site visits**

The purpose of a site visit is to obtain some level of confidence that Australian Government funding is being spent appropriately and the project is proceeding satisfactorily.

A risk management approach to site visits is recommended. Site visits should be scheduled wherever possible to coincide with a SRAC meeting.

As Executive Officers become more involved in project monitoring, they should also be conducting site visits of approved projects. If the EO does visit a project, they need to record details of the visit (this can take the form of an email) outlining the purpose of the visit, discussions with the funding recipient and any important information the region Programme Officer may need to be aware of. This record should be attached to the project file.

### **Desk monitoring**

Sustainable Regions staff will undertake desk monitoring of reports received. This involves:

- checking report statements against the Funding Agreement
- satisfying the delegate that information provided is correct
- checking that appropriate acknowledgement of the Australian Government has taken place
- searching websites where appropriate
- requesting copies of documents such as EPA, planning approvals (these should be part of agreed milestones)
- calling relevant bodies to verify claims where relevant (i.e. local councils).

### **Informal Project monitoring (SRACs)**

SRACs can also play an informal and ad hoc role in Project monitoring. It is in the SRACs' interests to maintain an ongoing involvement with those Projects that are funded in their region.

SRAC monitoring of projects generally takes place at SRAC meetings where the Committee might invite one or two funding recipients to update them on the progress of their project to date. This enables SRACs to promote to their communities the impact their work is having and to report back to the Department how they have been successful (or not) in the achievement of the goals of the Programme and the regional priorities.

### **Project Completion**

When a project has been completed, the funding recipient will need to send through a final milestone report to the Regional Office (See Attachment H).

The applicant will need to provide the following information in their final milestone report:

- A detailed summary report of the overall implementation of your Project.
  - Did you complete all the milestone activities in the Funding Agreement?
  - Did you encounter any problems while implementing the Project?
- A detailed summary report on the outcomes your Project has achieved which will provide a sustainable benefit the region.

- Which regional priorities did your Project address?
  - What outcomes did you say you would achieve?
  - How have you measured the success of your Project?
  - How will your Project benefit the region both now and in the future?
- A detailed statement of the extra jobs that have been created as a result of the Project at the time of the report; and
  - A detailed projection of the long-term jobs in the region which will/may arise as a result of the Project each year over the next five years

An independently audited financial statement is then due within two months from the receipt of the final milestone report.

### **Evaluation post project completion**

The evaluation strategy for the Sustainable Regions Programme has been developed to measure the success of the Programme against its stated objectives which are to help community leaders develop local solutions to the challenges of major economic, social and environmental change. To foster partnerships and provide communities with the tools to manage change, realise their potential and lead their development

A three stage evaluation framework has been developed that will report by programme, project and regional outcomes.

The three key stages are

- Stage 1 Post implementation review
- Stage 2 Mid term review
- Stage 3 Summative (external evaluation undertaken by a selected consultant through a tender process)

At the end of the project it is important to ensure the funding recipient provides a detailed report on the outcomes they have achieved as a result of their project, and how they have measured their success against these stated outcomes. A copy of the final report will need to be provided to the Evaluation Section when you receive it so they can use the information provided as part of the overall evaluation of the Programme.

You will also need to contact the funding recipient in 6-12 months time following the completion of their project to review their success against the original stated outcomes in the application and the Funding Agreement. The detail of the report that may be asked for after the end of the project depends on the size of the project and the outcomes they were hoping to achieve, see the Evaluation Section if you would like guidance on this. Although reporting on outcomes after the completion of the project is voluntary, the more information the Department receives; the better our reporting will be on the success of the Programme.



**SUSTAINABLE REGIONS PROGRAMME  
PROJECT ASSESSMENT CRITERIA**

**General Assessment Criteria**

1. Consistency of proposal with identified regional priorities as determined by the futures planning process and other planning processes.
2. The sustainability of the project and the extent to which it will be of benefit to the region.
3. The extent to which Australian Government funding is needed to realise the project and the absence of relevant programmes from other Australian Government agencies and other tiers of Government to fund the project.
4. The provision of sufficient funds and other involvement by the proponent to ensure success of the project.
5. The level of support for the proposal from within the Region, and support from other sources including other spheres of government and the private sector.
6. Demonstrated project management experience to undertake the project including the provision of a project budget and ability to meet Government reporting requirements.
7. The project does not compete directly with existing businesses, unless it can be shown that there is an unsatisfied demand for the product/service or the product/service can be provided in a new way.

**Mandatory Requirements**

8. Retrospective funding will not be permitted for any projects.
9. The project should not be inconsistent with other Australian Government policy objectives and relevant law.
10. Proposals must comply with relevant planning and environment laws.

## **PRIORITIES IDENTIFIED BY THE SUSTAINABLE REGIONS**

### **Atherton Tablelands, Queensland**

The Atherton Tablelands Advisory Committee developed an Action Plan which states that it will support projects that:

- Have clear long term outcomes that are sustainable;
- Clear objectives that address local priorities and for which progress can be measured;
- Encourage the development and retention of intellectual property within the Region;
- Encourage the local development of Tourism;
- Contribute to the development and maintenance of a "Tableland" brand;
- Improving community wellbeing;
- Build on earlier projects (ie, from the former Taskforce);
- Are synergistic with parallel projects;
- Lead to new job creation;
- See projects as a capital investment leading to enduring benefits of that will be sustained and retained within the Region;
- Develop the enthusiasm, skills and optimism of the Region's youth;
- Address gaps in community capacity in areas of community need;
- Build youth enterprise in the Region;
- Utilise and enhance the Region's amenity and modern life style choices; and
- Consider large projects in the context of the 2010 Regional Plan for Far North Queensland.

### **Wide Bay Burnett, Queensland**

The Wide Bay Burnett Sustainable Region Advisory Committee (the Committee) is conscious of the opportunity provided by the Sustainable Regions Programme to best position the region for the 21st Century.

The Committee wants to see the region take advantage of the rich natural and human resources and infrastructure to grow industry that is in tune with the environment.

The Committee has developed a set of priorities to complement the Federal Government's general criteria for project assessment and believes that projects which address these priorities will be best placed to future proof the Wide Bay Burnett region.

Projects considered for funding should satisfy one or more of the following:



### **Should create 21st Century jobs and enterprises**

- Industries that are growing and address a demand in the Australian and global market places are seen as advantageous to the region.
- Enterprises which incorporate or foster innovation, research and education and increase knowledge within the region will be critical to a sustainable future.
- Identifying and servicing market niches where a commercial return is made for the region will contribute to creating 21st Century jobs.

### **Enhances social infrastructure**

- Community leadership, community cohesiveness, individual opportunity and inherent social justice should be improved by projects supported by the Sustainable Regions Programme.

### **Supports the sustainable use of the regions natural resources in perpetuity**

- The region is rich in natural resources, maintaining those resources or reversing past degradations will ensure they exist for future generations.

### **Builds on the culture of the region**

- The heritage, culture and nature of the region all have much to offer in generating economic activity.
- Building on the regions strengths ensures that Wide Bay Burnett enterprises and residents have the opportunity to share in a sustainable future.

### **Makes the region a place in which young people will thrive and want to live**

- Young people are the ones who will help this region to embrace change and innovation as pathways to a sustainable future.

### **Links**

Projects that interlink these priorities will create sustainable, healthy lifestyles for the residents of the Wide Bay Burnett region.

The Committee has deliberately not nominated any particular industries or activities; however the committee acknowledges the value of existing industries and activities to the present economy of the Wide Bay Burnett region. Therefore the Committee will welcome proposals based around both existing and new enterprise which will contribute to a more sustainable future for the region.

These Regional Priorities draws on existing strategies and plans in the Wide Bay Burnett region and will be used to assist the Advisory Committee to determine which grants will be made available under the Sustainable Regions Programme.

## Far North East New South Wales

Regional Priorities	Further description of Priority
Business development	Training, facilitate e-commerce and e-trading, whole-of-government approaches to economic development, access to capital, indigenous employment & economic development. <i>Addresses several industry sectors and seen as creating employment outcomes.</i>
Community development	Redress numbers of 'working poor', unemployed and under-employed, enhance small villages and small towns, community cohesion, reconciliation with indigenous community, older aged population, better communication across the community re. Government programs, youth issues, disability issues, "local" employment, social isolation, community involvement in development. <i>Strengthens social capital and sense of community &amp; addresses social disadvantage.</i>
Environment related industries and issues	Encompasses services and products relating to catchment, estuarine and coastal management, covering environmental restoration technologies and services, clean energy technologies and products and a wide range of issues associated with environmentally friendly living such as housing, waste and designs, weed eradication, environmental improvement, sustainable organic agriculture, biodiversity. <i>Protecting and enhancing the environment, with environment related industries being a source of new opportunities.</i>
Knowledge and learning industries	Developing and using existing research capability, commercialising R&D results, support the opportunity for skilled components of the workforce and broader community, enhance access to new technologies such as specialist manufacturing.
Multi media, cultural and related creative industries	Includes the arts, entertainment, multi-media, design, cultural festivals, IT production, direction and management, training, broadcasting, indigenous community. <i>Strong links to existing strengths in the region, tourism and culture.</i>
New rural industries	These industries are associated with the less familiar plants and animals both native to Australia and international. These products tend to align with the RIRDC new products guide and so include aquaculture, for example, even though it is being carried out in various places already. <i>Lifting agricultural incomes to avoid erosion of lifestyles and values.</i>
Population growth service	These industries are tied to the high population growth rate of

industries	the region and include low cost and environmental housing, public & community housing, construction, home wares, health and lifestyle products and services, retail, leisure activities, services for retirees and the elderly, effects of population decline.
Soft and hard infrastructure	Road transport, both local and regional, financial services, communication and IT, better air transport, public transport, cycleways, rail, shipping, water supply, sewerage treatment. <i>An important enabler of development.</i>
Tourism	Includes eco-tourism, agritourism, other specialist tourism, regional cuisine, cultural tourism, and related industry support such as education and professional development, impact of tourism, MICE (meetings, incentives, conferences & exhibitions). <i>Maximising the yield from tourism and the quality of tourism development.</i>
Value-add to existing and traditional industries	Traditional crops and animals (dairy, beef, forestry), established horticulture, farm forestry, secondary processing of local produce, niche and export marketing, e-trading, e-commerce, local growers markets, organic production, assistance with marketing. <i>Building on the region's existing industries and links with other industry sectors.</i>

The creation of local employment (including youth and indigenous employment) and proposals that impact positively on the environment are high on the region's agenda. The need to work as a region is also seen as an important factor, as is the recognition that individual sectors of the economy do not work in isolation from one-another.

## **Campbelltown-Camden, New South Wales**

Priorities of the Campbelltown Camden Region are:

- Recognise and address the major social issues in the region;
- Improving regional employment opportunities for local people;
- Develop and support local industry and attract new sustainable, environmentally friendly industry;
- Identify and address youth needs;
- Education and training at all levels;
- Sustainability of natural and built environments;
- Improved local and regional transport infrastructure networks for all users.

## **Gippsland, Victoria**

- Priorities of the Gippsland Region are:
- Development of local leadership capabilities;
- Support to existing and traditional industries;
- Development and promotion of a regional identity;
- Identification of the consequences of an ageing population;
- Facilitation of investment and access to capital;
- Education and training at all levels;
- Assistance to small business including management skill development;
- Provision of reticulated water and sewerage (especially to developing areas);
- Development of key transport infrastructure (including ports and rail);
- Sustainable management of natural resources;
- Access to appropriate competitively priced sources of energy; and
- Development of telecommunications capabilities.

NB. This list may vary as the Programme evolves.

## **Cradle Coast (North West & West Coast Tasmania)**

The Cradle Coast Sustainable Region Advisory Committee has identified the following core priorities for the region based on previous research and strategic planning, community consultations and current opportunities:

<b>Priority</b>	<b>Outcomes Sought</b>
Participation in education, training and employment	Stronger Learning Pathways
Investment in existing growth industries	Tourism industry capacity-building & infrastructure
Value-adding of traditional industries	Food industry business incubator & industry clusters
Creation of new long-term industries	Windfarm-related industry clusters
Protection of the natural environment	Natural Resource Management career pathways
Reversing population decline	Family and business migration

## **Playford-Salisbury, South Australia**

The goal of the *Sustainable Regions Programme* in Playford/Salisbury is to involve the community in laying the foundation to realise the region's long-term potential to be economically vibrant, socially inclusive and environmentally sustainable, building on its natural advantages.

The consultative process that has commenced in the region has identified the following regional priorities:

- enhancing the region's core economic base by promoting growth in key industry sectors and encouraging networks and clustering;
- improving the skills and systems of small businesses;
- strategically linking education and training with industry growth;
- increasing the relevance of education and training in the community;
- developing the region as a leader in life-long learning;
- advancing social inclusion and community involvement;
- improving the social and physical character of residential neighbourhoods;
- promoting the region's growth through integrated solutions to infrastructure provision;
- improving transport and access;
- promoting alternative energy solutions for the region;
- developing the capacity for the region to become self-sustaining in water use;
- developing productive alternatives for waste;
- enhancing regional biodiversity; and
- building community health and well-being.

The Playford/Salisbury Sustainable Region Advisory Committee will also seek to ensure all projects have the ability to strengthen community capacity building in the region.

## **Kimberley, Western Australia**

Priorities of the Kimberley Region are:

- Regional infrastructure;
- Local cooperative projects;
- Indigenous enterprise and economic development;
- Regional marketing; and
- New sustainable industry.

## ATTACHMENT C

### **Draft letter to successful applicant**

Applicant name  
Position  
Company/organisation  
Address  
Suburb, State, Postcode

Dear (insert Applicant name)

Thank you for your application for funding for the '(insert project name)' project under the Sustainable Regions Programme.

I am pleased to advise you that I have approved funding of \$ (insert approved amount) for your project. This amount is GST inclusive and GST is payable on this amount. My approval is subject to satisfactory contract negotiation between (insert name of Company-organisation) and the Department of Transport and Regional Services within two months of this letter of offer.

A public announcement regarding your successful project will be made in the near future.

My Department will contact you soon to discuss the contractual arrangements for your project. The contact person in my Department is (insert Project Officer), telephone (02) 6274 xxxx or email (insert Project Officer's email address).

I wish you every success with your project.

Yours sincerely

JOHN ANDERSON

## REGISTER OF SR PROJECTS

**Complete this Template as soon as Projects have been approved by the Minister and email to the SR Finance Officer.** In the email subject box include the Sustainable Region & then project name eg FNE, Surfing Aust Project.

Note new DOFA requirement is that the information is entered into the Discretionary Grants Central Register (DGCR) **PRIOR** to a project being announced. National Office enters this information into the DGCR for Regional Offices.

<b>SR Register of Projects Template</b>	
<b>Sustainable Region eg WBB, FNE</b>	
<b>Project Title</b>	
<b>Date approved by Minister</b>	
<b>Contract Start Date</b> (if this is an estimate, pls specify this & advise of contracted date by email when this occurs)	Yes, it is an estimate / No, it's actual date
<b>Project Description</b>	
<b>GST exclusive total funding</b>	\$
<b>GST inclusive total funding</b>	\$
<b>GST exclusive funding by financial year</b>	2003/04 - \$  2004/05 - \$  2005/06 - \$
If this is an estimate, please indicate this & advise of updated split by financial year when you are aware of these (by email is fine).	Yes, these are estimates / No, these are the figures

<b>Recipient Name</b>	
<b>Recipient full Address (PO Box if available)</b>	
<b>Recipient Phone</b>	
<b>Recipient Fax</b>	
<b>ABN Number</b>	
<b>Commercial (C ), Local Govt (LG) or Not for profit (NFP)</b>	
<b>Please attach a copy of the contract</b> (Deed of grant, signature page, Key dates, Milestone, Budget pages & Activity or Project/Object page).	
<b>Please also split Other Funding Contributions into the following categories –</b> Other funding Local Govt – Other funding Commonwealth – Other funding State Govt – Other funding Private Sector – Other funding Total –	



**Sustainable Regions Programme Milestone Report  
Guidelines and Template**

The following Guidelines and Template are to assist you with preparing Milestone Reports, required as part of your Sustainable Regions Programme Funding Agreement. Please ensure the Milestone Reports are delivered to the Department of Transport and Regional Services (DOTARS) by the due date, stated in your Funding Agreement.

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***Why Does the Department Require Milestone Reports?***

- The Department of Transport and Regional Services (DOTARS) needs to ensure that Sustainable Regions Programme funding has been used for the purposes which have been approved by the Minister for Transport and Regional Services; and
- That your funding is being spent in accordance with the budget and milestones negotiated in the Funding Agreement.

***What do you include in the Milestone Reports?***

You need to address how your organisation has met each item listed under the Milestones for the period detailed in the Funding Agreement. To assist with this process, complete the attached Report Template for each Milestone. This will cover all the information that DOTARS requires to evaluate your report.

**The Milestone Report Template needs to include the following information:**

- A description of the activities undertaken to date, against the relevant Milestones;
- A financial statement of Income and Expenditure to date **against the approved budget**, and where applicable copies of invoices and receipts;
- If referred to in your Funding Agreement, an audited mid-term financial report; and
- A description of any difficulties and/or delays you have encountered or expect to occur.

**NOTE** – If you are expecting delays with your project, you will need to request a Contract Variation that will require the Department’s approval. As outlined in the Funding Agreement, you must advise the Department as soon as you are aware of any delays.

<b>Report Checklist</b>	<b>Tick</b>
Each activity listed under the Milestones has been addressed	
A financial Statement of Expenditure and Income (including other cash contributions) and where applicable invoices/receipts attached.	
If applicable, an explanation of why the Milestones were not completed by the target date.	
If applicable, details of any significant difficulties encountered in carrying out the Project and whether and how this was overcome, or will be overcome.	
If applicable, a request for a Variation to the Funding Agreement, with details of extension sought (if any) and request for any other changes required to the Agreement.	



**SUSTAINABLE REGIONS  
MILESTONE REPORT TEMPLATE**

Refer to the Milestone activities outlined in your Funding Agreement to extract information for the items listed below.

<b>Organisation Name</b>	
<b>Address</b>	
<b>Milestone Report Number eg 1<sup>st</sup> progress</b>	
<b>Contact Name</b>	
<b>Contact Phone</b>	
<b>Contact Email</b>	
<b>Milestone Completion Date</b>	
<b>If any Milestone activities relating to the report were not completed on time, please specify and explain the reasons why.</b>	
<b>Explanation of any significant difficulties encountered in carrying out the Project and whether or how these have been, or will be overcome.</b>	
<b>If the Project is experiencing delays, what are the revised expected Milestone dates (eg Milestone 3 was due in Nov 04, now expected Dec 04). <i>If this is the case, your DOTARS contact will contact you regarding preparing a Variation.</i></b>	
<b>If applicable attach a mid-term audited report.</b>	

<b>List the relevant Milestone activities here that relate to this report (as outlined in the Funding Agreement)</b>	<b>Outline how you have specifically achieved the Milestone activities.</b>	<b>If applicable, attach invoices/documents which relate to this Milestone report</b>  <i>(please label each document eg invoice 123 relates to the building component of the Milestone).</i>

<b>Additional Comments</b>


I certify that the information outlined above is true and correct.

<b>Signed</b>	
<b>Name</b>	
<b>Position/Title</b>	
<b>Date</b>	

**Please Return this Milestone Report to –**

**DOTARS  
SR Section  
Attention (insert Region Officer name)  
GPO Box 594  
Canberra ACT 2601**



Australian Government

Department of Transport and  
Regional Services

## [XXX] SUSTAINABLE REGION FUNDING AGREEMENT FACT SHEET

### Introduction

To receive funding under the Sustainable Regions Programme it is necessary for a funding agreement to be negotiated between the funding recipient and the Australian Government, as represented by the Department of Transport and Regional Services (DOTARS). This fact sheet has been developed to assist you in this process and to hopefully provide answers to questions you may have.

### Contacts

Department of Transport and Regional Services (DOTARS)

*[Relevant contact officer]*

*[Regional Office Address]*

Ph xx xxxx xxxx

Fax xx xxxx xxxx

xxx.xxx@dotars.gov.au

**Role:** DOTARS employees represent the Australian Government and are responsible for a majority of the administrative work for the Programme. Their role is to negotiate contracts under the Programme and to monitor the progression of projects in accordance with the milestones. Reports on the progress of the project will have to be sent to, and approved by, DOTARS personnel as representatives of the Australian Governments. Milestone payments are also organised through DOTARS.

Executive Officer – to the xxx Sustainable Region Advisory Committee (XXSRAC)

*[Name]*

Executive Officer

*[Region]* Sustainable Regions Programme

ADDRESS

Ph .....

Fax .....

Mob .....

Email .....

**Role:** The Executive Officer (EO) provides essential advice to DOTARS on project milestones and contract conditions. The EO will work strategically with your organisation in order to achieve the goals you have identified. In some cases the EO will have a strategic management role if recommended by Sustainable Region Advisory Committee (SRAC) to the Minister. The role of the Executive Officer will also be to act as a resource and support and to provide DOTARS with on-the-ground assistance and knowledge.

### Contract negotiation

The funding agreement, or contract, will be prepared by DOTARS. It should be noted that the clauses making up the main body of the contract are negotiable as are the various elements of the Schedule. The funding agreement will normally be a standard contract used by many agencies in the Commonwealth. The Schedule of the contract is the most important part. It outlines your obligations during the project, how and when you will be paid and other key details. If you have any concerns

about your obligations under any part of the contract please contact a DOTARS representative to discuss the issue.

Once the Minister has approved funding for your project the process will be as follows:

1. A representative of DOTARS contacts you to begin the contract negotiation process (it is advisable that you seek independent legal advice during this period);
2. DOTARS officers and the Executive Officer will work with you to structure the milestone, payment and reporting schedules in the contract, the main body of which will be extracted from your application;
3. Upon agreement of a final contract, two copies are sent to you for signature;
4. Both copies are then returned to DOTARS where they are signed by a delegate and dated with the Commencement Date, a copy is then returned to you for your records;
5. The project begins.

You may find that your funding has been approved by the Minister subject to various terms or conditions. These conditions may have to be met prior to contract signing or they may be such that they can be incorporated into the actual funding agreement. If you have any questions regarding these conditions you can contact either a DOTARS representative or the Executive Officer. We would encourage you to actively work with the Executive Officer to satisfy these conditions as their assessment of project outcomes is an essential element of the DOTARS monitoring process.

### **During the project**

Once the contract has been signed by both parties, the project can begin. During the life of the project you will be required to report at various times in order to meet the milestones and be eligible for milestone payments. It is advisable, therefore, that you understand fully your obligations under the payment and reporting schedules in the funding agreement prior to signing it. If you have any questions on the reporting requirements you should contact a DOTARS representative or the Executive Officer. The process will be as follows:

1. In the weeks leading up to a Milestone Report being due, it is recommended you ensure you understand what is required by reading the funding agreement or by contacting a DOTARS representative or the Executive Officer. In some cases it may be essential for you to work with DOTARS or the Executive Officer to ensure you will accurately meet the requirements of the funding agreement;
2. Submit your Report to the DOTARS representative listed above;
3. If a payment is also due at that Milestone, you will also be required to submit an invoice for payment as per the requirements in the Schedule of the funding agreement.

### **Conclusion**

Finally, we want the process to run as smoothly as possible for all parties concerned. DOTARS officers and the Executive Officer are only a phone call away and always happy to answer any questions you may have.

**SUSTAINABLE REGIONS PROGRAMME - MILESTONE REPORT ASSESSMENT**

**PROJECT/RECIPIENT:** \_\_\_\_\_

**REPORT NO.** \_\_\_\_\_ **REPORT PERIOD** \_\_\_\_\_

<i>Report Assessment</i>	
Have the milestone activities associated with this report been completed?	Yes / No
Financial Statement of Expenditure and Income against the Budget in the Funding Agreement attached (including other cash contributions) attached.	Yes / No
Has satisfactory evidence been provided to demonstrate the achievement of the milestone activities (ie receipts, copies of tax invoices)?	Yes/No
If applicable, an explanation of why the milestones were not completed by the target date.	Yes / No
If applicable, details of any significant difficulty encountered in carrying out the Project and whether and how it was overcome, or will be overcome.	Yes / No
If applicable, a request for variation to the Funding Agreement, with details of extension sought (if any) and requests for any other changes required to the Agreement.	Yes / No

<i>Milestone Activities (list activities below)</i>	<i>Comments</i>

<i>Assessment comments</i>

<i>Executive Officer comments (if applicable)</i>

<i>Payment associated with this milestone report</i>	\$x (plus \$x GST)
<i>Date invoice processed</i>	

**RECOMMENDATION:**

The milestone report has been assessed and is accepted. Payment recommended (if applicable) Yes / No

Assessed by \_\_\_\_\_ Date \_\_\_\_\_



**Australian Government**

**Department of Transport and Regional Services**

**ATTACHMENT H**

**SUSTAINABLE REGIONS  
FINAL MILESTONE REPORT TEMPLATE**

<b>Organisation Name</b>	
<b>Address</b>	
<b>Contact Name</b>	
<b>Contact Phone</b>	
<b>Contact Email</b>	
<b>Project completion date</b>	

**Your final milestone report will need to cover the following information:**

- A detailed summary report of the overall implementation of your Project.
  - Did you complete all the milestone activities in the Funding Agreement?
  - Did you encounter any problems while implementing the Project?
- A detailed summary report on the outcomes your Project has achieved which will provide a sustainable benefit the region.
  - Which regional priorities did your Project address?
  - What outcomes did you say you would achieve?
  - How have you measured the success of your Project?
  - How will your Project benefit the region both now and in the future?
- A detailed statement of the extra jobs that have been created as a result of the Project at the time of the report; and
- A detailed projection of the long-term jobs in the region which will/may arise as a result of the Project each year over the next five years

An **independently audited financial statement** is then due within two months from the receipt of the final milestone report.

The audited financial statement should cover the Sustainable Regions Programme funding and the total of other contributions to the Project.