



Australian Government

Department of Industry,
Innovation and Science

Department of Infrastructure,
Transport, Cities and
Regional Development

Business

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13 28 46

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Grant Opportunity Guidelines

Building Better Regions Fund – Infrastructure Projects Stream – Round Four – Drought Support

Opening date:	14 November 2019
Closing date and time:	17.00 AEDT on 19 December 2019
Commonwealth policy entity:	Department of Infrastructure, Transport, Cities and Regional Development
Administering entity	Department of Industry, Innovation and Science
Enquiries:	If you have any questions, contact us on 13 28 46.
Date guidelines released:	14 November 2019
Type of grant opportunity:	Open competitive

A message from the Minister



Regional Australia has enormous potential. It is strong, vibrant, determined and drought notwithstanding – there are huge opportunities in rural and regional Australia.

When our regions are strong, so too is our nation.

The Australian Government is backing our communities dealing with the drought. We are providing a further \$200 million for a fourth round of the Building Better Regions Fund and will target investment in the future growth and prosperity of drought-affected regions that are doing it tough.

In Round Four, the Infrastructure Projects Stream will invest in shovel-ready projects delivering jobs, driving economic growth and building up drought-affected regional communities. In doing so, we will support and develop the vibrancy of these regions.

Our regions are a great place to live, work and invest, and the Infrastructure Projects Stream is just one component of the Building Better Regions Fund designed to enhance the everyday life of people living in regional and remote Australia.

Successful projects under the competitive grant funding opportunity will receive grants from the pool of \$200 million, up to the value of \$10 million from the Commonwealth.

I look forward to considering and delivering these projects for drought-affected communities as we continue to strengthen the engine room of our nation.

The Hon Michael McCormack MP

Deputy Prime Minister

Minister for Infrastructure, Transport and Regional Development

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1. Building Better Regions Fund: Infrastructure Stream - Round Four processes - Drought Support

The Building Better Regions Fund is designed to achieve Australian Government objectives

This grant opportunity is part of the above grant program, which contributes to the Department of Infrastructure, Transport, Cities and Regional Development's (DITCRD) Outcome 3. The DITCRD works with stakeholders to plan and design the grant program according to the *Commonwealth Grants Rules and Guidelines*.



The grant opportunity opens

We publish the grant guidelines on business.gov.au and GrantConnect.



You complete and submit a grant application

You complete the application form, addressing all the eligibility and assessment criteria in order for your application to be considered.



We assess all grant applications

We review the applications against eligibility criteria and notify you if you are not eligible. We assess eligible applications against the assessment criteria including an overall consideration of value with relevant money and compare it to other eligible applications.



We make grant recommendations

We provide advice to the decision maker on the merits of each application.



Grant decisions are made

The decision maker decides which applications are successful.



We notify you of the outcome

We advise you of the outcome of your application. We may not notify unsuccessful applicants until grant agreements have been executed with successful applicants.



We enter into a grant agreement

We will enter into a grant agreement with successful applicants. The type of grant agreement is based on the nature of the grant and proportional to the risks involved.



Delivery of grant

You undertake the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making payments.



Evaluation of the Building Better Regions Fund

We evaluate the specific grant activity and Building Better Regions Fund as a whole. We base this on information you provide to us and that we collect from various sources.

2. About the grant program

The Building Better Regions Fund (the program) will run over six years from 2017-18 to 2022-23. Round Four of the program will support drought-affected regions by targeting projects that will benefit communities affected by drought.

The **objectives** of the program are to:

- drive economic growth
- build stronger regional communities into the future.

The intended **outcomes** of the program are to:

- create jobs
- have a positive impact on economic activity, including Indigenous economic participation through employment and supplier-use outcomes
- enhance community facilities
- enhance leadership capacity
- encourage community cohesion and a sense of identity.

There are two grant opportunities as part of this program:

- [Infrastructure Projects Stream](#), as outlined in these guidelines
- [Community Investments Stream](#)

Information about the Community Investments Stream is available on business.gov.au.

We will publish the [opening and closing dates](#) and any other relevant information on business.gov.au and GrantConnect for each grant opportunity separately.

We administer the program according to the [Commonwealth Grants Rules and Guidelines](#) (CGRGs).¹

2.1. About the Infrastructure Projects Stream Round Four grant opportunity

These guidelines contain information for the Infrastructure Projects Stream Round Four grant opportunity.

In line with the program objectives and intended outcomes, the Infrastructure Projects Stream will support investment ready projects (refer to 2.1.1 below) for new infrastructure, or the upgrade or extension of existing infrastructure, that provide economic and social benefits to regional and remote areas.

The Australian Government, as part of a broader package of support for drought-affected communities, will target projects that support communities and regions affected by drought. As part of the application process, applicants will be asked to indicate whether their project will be delivered in a location affected by drought. Applicants indicating that their projects will take place in drought-affected locations will be asked to provide evidence supporting their claim (refer to 2.1.2 below).

This document sets out:

- the eligibility and assessment criteria
- how we consider and assess grant applications

¹ <https://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf>

- how we notify applicants and enter into grant agreements with grantees
- how we monitor and evaluate grantees' performance
- responsibilities and expectations in relation to the grant opportunity.

The Department of Industry, Innovation and Science (we/the department) is responsible for administering this grant opportunity on behalf of the Department of Infrastructure, Transport, Cities and Regional Development.

We have defined key terms used in these guidelines in the glossary at section 14.

You should read this document carefully before you fill out an application.

2.1.1. Investment ready projects

The Infrastructure Projects Stream only supports investment ready projects. We consider a project to be investment ready where you have taken steps to allow construction to commence within 12 weeks of executing an agreement. This includes where you have:

- the authority of the land or infrastructure owner to undertake the project at the nominated site
- confirmed funding contributions from all sources and can provide formal documentation to verify those contributions with your application
- identified and prepared submissions for all required regulatory and/or development approvals or have already submitted and/or obtained those approvals
- finalised project designs and costings.

2.1.2. Projects in drought-affected locations

As part of the application process, you will be asked to indicate whether your project will be delivered in a location affected by drought. If your project will take place in a drought-affected location, you will be required to provide evidence supporting your claim. This evidence could include:

- projects located in a local government area that is eligible for the Australian Government's Drought Communities Programme - Extension
- projects located in a locality drought-declared by the relevant state or territory government
- official Bureau of Meteorology rainfall data indicating an extended period without or significant decline in rainfall
- demonstrated impact of economic and/or employment decline as a result of drought.

Your application will be ineligible if:

- a) your project is not located in a drought-affected location; and
- b) if you do not provide satisfactory evidence to support your claim.

3. Grant amount and grant period

The Australian Government has announced a total of \$841.6 million over six years from 2017-18 to 2022-23 for the program. For Round Four, \$200 million is available across the two streams.

3.1. Grants available

Your grant amount will be a percentage of the total eligible project costs (grant percentage) based on your project circumstances as outlined in Table 1 below.

- The minimum grant amount is \$20,000

- The maximum grant amount is \$10 million.

You can fund your contribution from any source including State, Territory and local government grants. Your contribution must be cash.

Where you receive a cash contribution from another source (e.g. State government), the source must provide you with formal documentation confirming the cash contribution so you can attach it to your application.

Your contribution can also come from Aboriginal Benefits Account, Financial Assistance Grants to local government and fully repayable loans from organisations such as Indigenous Business Australia and the Northern Australia Infrastructure Facility, as these are not considered Commonwealth funding.

Where you receive other Commonwealth funding for your project, the total Commonwealth funding cannot exceed the percentage indicated in the table below.

Table 1: Project circumstance and your grant amount

Project circumstance	Total Commonwealth Government funding (including this grant) towards eligible project cost*
Projects classified as remote or very remote (see section 5.2.1)	Up to 75 per cent of total eligible project cost
Projects granted exceptional circumstances exempt from a cash contribution (see section 4.2.1)	Up to 100 per cent of total eligible project cost (we encourage any level of contribution)
All other classifications	Up to 50 per cent of total eligible project cost

*Total eligible project costs include the grant amount and your cash contribution. Grant funds are paid in accordance with the agreed grant percentage of total eligible project costs up to the approved grant amount.

3.2. Project period

You must complete your project by the project end date specified in your grant agreement, which cannot be after 31 December 2022.

4. Eligibility criteria

We cannot consider your application if you do not satisfy all eligibility criteria.

4.1. Who is eligible?

To be eligible you must:

- have an Australian Business Number (ABN)

and be one of the following incorporated entities:

- an incorporated not for profit organisation. As a not for profit organisation you must demonstrate your not for profit status through one of the following:
 - Current Australian Charities and Not for profits Commission's (ACNC) Registration
 - State or territory incorporated association status

- Constitutional documents and/or Articles of Association that demonstrate the not for profit character of the organisation
- an Australian local government agency or body as defined in the glossary
- non-distributing co-operatives.

For the purposes of the program, we also consider the following organisations to be an Australian local government agency or body:

- Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna and Yalata local governing bodies in SA
- Cocos (Keeling) Islands Shire Council
- Lord Howe Island Board
- Norfolk Island Regional Council
- The Outback Communities Authority
- The Shire of Christmas Island
- The Silverton and Tibooburra villages in NSW
- The Trust Account in the NT
- ACT Government.

4.2. Additional eligibility requirements

We can only accept applications where:

- your project is taking place in a drought-affected location in Australia, as outlined under 2.1.2
- your project is located in an eligible location as outlined under section 5.2
- where you can provide evidence of how you will provide your share of project costs:
 - if you will be making a cash contribution to the project you must use the Accountant Declaration form available on business.gov.au and GrantConnect
 - if your project will receive cash contributions from other sources you must provide formal documentation confirming the cash contributions from those sources (e.g. State government) such as a commercial finance agreement or letter of offer with your application
- where you can confirm that you have the authority of the land or infrastructure project owner to undertake the project at the nominated site(s). You are required to provide a letter from the land or infrastructure project owner using the letter template provided on business.gov.au.

We cannot waive the eligibility criteria under any circumstances.

4.2.1. Seeking an exceptional circumstances exemption from your cash contribution to the project

We recognise that some applicants may be experiencing exceptional circumstances that may limit their capacity to contribute to the project.

Exceptional circumstances may include:

- drought and/or disaster declaration
- limited financial capacity of the local council
- impact of industry decline
- significant recent change in population or community demographics
- other exceptional circumstances.

Where you can demonstrate that you are experiencing exceptional circumstances, you may seek an exemption from your cash contribution to the project in your application.

If you seek an exemption, you must submit a supporting case that includes evidence demonstrating the exceptional circumstances you are experiencing, and how they are preventing you from making a cash contribution. This must also include evidence to demonstrate the capacity to maintain and fully utilise the project.

The Ministerial Panel will consider requests for exemption. If the panel grants an exemption, we will consider your application to have met the requirements under section 4.2.1.

Before you consider seeking an exemption, note:

- we will only grant exemptions in very limited circumstances
- If the evidence provided does not include how the exceptional circumstance is preventing you from meeting your cash contribution requirement, or is deemed insufficient, your application will be deemed ineligible and there will be no opportunity to resubmit your application in the same funding round
- we assess all applications, including those granted an exemption, against each of the assessment criteria.

4.3. Who is not eligible?

You are not eligible to apply if you are:

- a for-profit organisation
- an individual, partnership or trust (however, an incorporated trustee may apply on behalf of a not for profit trust organisation)
- a Commonwealth, state or territory government agency or body (including government business enterprises) with the exception of those organisations referred to in section 4.1.
- a university, technical college, school or hospital
- a Regional Development Australia Committee.

5. What the grant money can be used for

5.1. Eligible activities

To be eligible your project must:

- be aimed at the construction, upgrade or extension of infrastructure that provides economic and social benefits to regional and remote areas
- comprise one of the following activities:
 - the construction of new infrastructure
 - the upgrade to existing infrastructure
 - the extension of existing infrastructure
 - the replacement of infrastructure where there is a significant increase in benefit
- not have started construction.

We may also approve other activities.

5.2. Eligible locations

Your project must not be located in an excluded area unless you can clearly demonstrate the significant benefits and employment outcomes, which flow directly into an eligible area. A mapping tool is available on business.gov.au to assist you in determining the eligibility of your project location. Your project can include activities at different sites, as long as they are in an eligible location or you can demonstrate the significant benefits and employment outcomes, which flow directly into each eligible location.

Excluded areas are the Urban Centre and Locality (UCL) cities over 1 million people for Sydney, Melbourne, Brisbane, Perth and Adelaide as defined by the Australian Bureau of Statistics' Australian Statistical Geography Standard. For the city of Canberra, the excluded area is only the part of the Canberra-Queanbeyan Significant Urban Area that is located within the Australian Capital Territory.

In addition, your project must take place in a drought-affected location, as outlined under 2.1.2.

5.2.1. Project remoteness classification and your grant amount

Your project location (latitude and longitude) determines your remoteness classification. We base the criteria for the remoteness classification on the Australian Bureau of Statistics' Remoteness Structure² under the Australian Statistical Geography Standard. A mapping tool is available on business.gov.au to assist you in determining the location of your project.

Your contribution to the project will be different depending on your remoteness classification. It is very important that you specify the correct remoteness classification in your application. An error may cause your contribution to be inadequate and your application to be ineligible.

Your project may include multiple site locations. Where there is a mix of regional and remote site locations we will consider your entire project location as remote for the purposes of your contribution.

5.3. Eligible expenditure

You can only spend grant funds on eligible expenditure you have incurred on an agreed project as defined in your grant agreement.

- for guidelines on eligible expenditure, see Appendix A.
- for guidelines on ineligible expenditure, see Appendix B.

If your application is successful, we may ask you to verify project costs that you provided in your application. You may need to provide evidence such as quotes for major costs.

Not all expenditure on your project may be eligible for grant funding. The Program Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be a direct cost of the project
- be incurred by you for required project audit activities.

You must incur the project expenditure between the project start and end date for it to be eligible unless stated otherwise.

² <https://www.abs.gov.au/websitedbs/D3310114.nsf/home/remoteness+structure>

You must not commence your project until you execute a grant agreement with the Commonwealth.

6. The assessment criteria

You must address all assessment criteria in your application. We will assess your application based on the weighting given to each assessment criterion.

The application form asks questions that relate to the assessment criteria below. The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and grant amount requested. You must provide evidence to support your answers against each of the assessment criteria.

The application form displays size limits for answers.

6.1. Assessment criterion 1

Economic benefits of your project for the region (15 points)

You should demonstrate this by identifying:

- a. the extent to which your project meets the needs of the regional community
- b. the broader economic benefits that your project will deliver for the region and community during and beyond the term of funding.

Economic benefits for a region may cover increases in economic activity, improvements in productivity, wider access to markets or fairer and more equitable economic outcomes.

Examples of how your project could demonstrate economic benefits may include:

- increasing the number or value of jobs, new businesses or the production of goods and services in the region (this includes direct and indirect opportunities created through the project)
- providing opportunities for growth in existing sectors, e.g. tourism, agriculture, manufacturing
- the use of local suppliers and goods
- increasing efficiency of the transport system or service delivery
- increasing Indigenous economic participation, including Indigenous employment and supplier-use outcomes.

In your application, you must include the total employment numbers you expect to create during and following your project. You will need to identify how many of these employees will be Indigenous. You must substantiate any employment numbers with evidence.

6.2. Assessment criterion 2

Social benefits of your project for the region (15 points)

You should demonstrate this by identifying:

- a. the extent to which your project meets the needs of the regional community
- b. the broader social benefits that your project will deliver for the region and community during and beyond the term of funding.

Social benefits for a region may cover increases in regional amenity, improving community connections and inclusion and providing opportunities for learning and knowledge creation.

Examples of how your project could demonstrate social benefits may include:

- making a region a more attractive place to live
- the degree to which the project fills a 'gap' within the community
- improving community connections and social inclusion
- supporting or protecting local heritage and culture
- increasing community volunteering
- addresses disadvantage within the community.

6.3. Assessment criterion 3

Capacity, capability and resources to deliver the project (5 points)

You should demonstrate this by identifying:

- a. your track record managing similar projects and access to personnel and/or partners with the right skills and experience
- b. your readiness to commence the project, including your access to any required resources such as infrastructure, capital equipment or technology. You should describe the steps you have taken to allow construction to commence in the immediate future including the status of:
 - required regulatory and/or development approvals
 - project designs and costings
 - authority from the land or infrastructure project owner to undertake the project at the nominated site
 - funding contributions from all sources.
- c. sound project planning to manage and monitor the project, which addresses scope, implementation methodology, timeframes, budget and risk
- d. how you will operate and maintain the infrastructure and benefits of the project into the future.

If your project is still in the planning or concept stage, it is not likely to be competitive.

6.4. Assessment criterion 4

Impact of funding on your project (5 points)

You should demonstrate this by identifying:

- a. your plan for engagement and collaboration to ensure community support for your project. In your response you can describe:
 - the total investment the grant will leverage including additional cash contribution and in-kind support
 - the extent that your project increases investment and builds partnerships in your region.
- b. the likelihood the project would proceed without the grant. If not, why not? Explain how the grant will impact the project in terms of size, timing and reach

- c. if you have already received Commonwealth funding for this project or a similar project, explain why you need additional funding

7. How to apply

Before applying, you should read and understand these guidelines and the sample [grant agreement](#) published on [business.gov.au](#) and GrantConnect.

We encourage you to seek the support of your [Regional Development Australia³](#) (RDA) Committee for your project. Your RDA Committee can:

- assist you to identify and develop a strong project proposal that will contribute to long term economic growth and is a priority within your region
- work with you to prepare a competitive application, supporting documents and evidence.

You can only submit an application during a funding round.

To apply, you must:

- complete the online [program application form](#) on [business.gov.au](#)
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You will receive confirmation when you submit your application. You should retain a copy of your application for your own records.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code 1995* (Cth). If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

If we find an error or information that is missing, we may ask for clarification or additional information from you that will not change the nature of your application. However, we can refuse to accept any additional information from you that would change your submission after the application closing time.

If you need further guidance around the application process, or if you are unable to submit an application online, [contact us](#) at [business.gov.au](#) or by calling 13 28 46.

7.1. Attachments to the application

We require the following documents with your application as per Table 2:

³ <https://rda.gov.au/>

Table 2: Attachments to the application

Applicant type	Document
Mandatory for all applicants making a cash contribution to the project	<ul style="list-style-type: none"> • If you are making a cash contribution to the project you must provide an Accountant Declaration that confirms you can fund your share of the project costs. You must use the Accountant Declaration form available on business.gov.au and GrantConnect. • If your project will receive cash contributions from other sources you must attach a letter/s from each contributing organisation or individual that includes formal documentation confirming the cash contributions they will make towards the project. Letters must be: <ul style="list-style-type: none"> ○ on the organisation's letterhead (not applicable for individuals) ○ signed and dated by an authorised person or the individual providing the contribution ○ set out the value and timing of cash contributions and any conditions attached ○ include the commercial agreement or letter of offer to verify that the cash contribution has been committed to the project (not applicable for individuals). <p>Note: You as the applicant do not need to provide a letter of support to confirm your organisation's cash contributions. You will declare your contributions in the application form. A template is provided on business.gov.au and GrantConnect.</p>
Mandatory for applicants seeking exceptional circumstances exempt from a cash contribution	Evidence to demonstrate your case for exemption as outlined in 4.2.1.
Mandatory for all applicants	Evidence to demonstrate your project location is in a drought-affected location as per 2.1.2
Mandatory for not for profit organisations	If you do not have an active Australian Charities and Not-for-profits Commission (ACNC) registration or state or territory incorporated association registration at the time of application, you must provide Constitutional documents and/or Articles of Association that demonstrate the not for profit character of the organisation.
Mandatory for not for profit organisations that are incorporated trustees applying on behalf of a trust	Trust documents showing the relationship of the incorporated trustee to the trust.

Applicant type	Document
Mandatory for projects with a grant request over \$1 million	Cost benefit analysis. Further information on how to prepare a cost benefit analysis is available on business.gov.au .
Mandatory for organisations that do not own the land or infrastructure for their project	Evidence of the owner's authority to conduct the project at the nominated site using the letter template at business.gov.au and GrantConnect .

You must attach supporting documentation to the application form in line with the instructions provided within the form. You should only attach requested documents. We will not consider information in attachments that we do not request.

7.2. Timing of grant opportunity

You can only submit an application between the published opening and closing dates. We only accept late applications where:

- a natural disaster has occurred in your area, which has affected the submission of an application.

If you are successful, you can commence your project from the date you execute a grant agreement with the Commonwealth.

Table 3: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	10 weeks
Approval of outcomes of selection process	10 weeks
Negotiations and award of grant agreements	1-5 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of project	From execution of your grant agreement
End date of grant commitment	30 June 2023

8. The grant selection process

We first review your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage. As this is an open competitive merit based program, only the highest-ranking applications will be recommended for funding.

We consider your application on its merits, based on:

- how well it meets the criteria
- how it compares to other applications
- whether it provides value with relevant money
- your past performance with project delivery.

When assessing whether the application represents value with relevant money, we will have regard to:

- the overall objectives of the grant opportunity

- the evidence provided to demonstrate how your project contributes to meeting those objectives
- the relative value of the grant sought.

We assess applications relative to the project size, complexity and grant amount requested. The amount of detail and supporting evidence you provide in your application should be relative to these factors.

We may seek advice regarding your project from state or territory government agencies, other Australian Government agencies, independent experts and other external parties. This advice may be taken into consideration when assessing the project.

To account for the challenges faced in outer regional and remote areas, we may apply a loading to your total assessment score. Very remote projects will receive the highest loading and inner regional projects the lowest loading.

If the assessment process identifies unintentional errors in your application, we may contact you to correct or clarify the errors, but you cannot make any material alteration or addition.

8.1. Who will approve grants?

A Ministerial Panel, chaired by the Minister for Infrastructure, Transport and Regional Development, has been established to make funding decisions for the program.

In addition to the assessed application and availability of grant funds, the Ministerial Panel, in consultation with Cabinet, then decides which grants to approve. The Ministerial Panel may consider other factors when deciding which projects to fund, including, but not limited to:

- the spread of projects and funding across regions
- the regional impact of each project, including Indigenous employment and supplier-use outcomes
- other similar existing or planned projects in the region to ensure that there is genuine demand and/or no duplication of facilities or services
- other projects or planned 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 level of funding allocated to an applicant in previous programs
- reputational risk to the Australian Government
- the Australian Government's priorities. Round Four of the program will support drought-affected locations by targeting projects that will benefit communities affected by drought.

The Ministerial Panel's decision is final in all matters, including:

- the approval of applications for funding
- the amount of grant funding awarded
- the terms and conditions of funding.

We cannot review decisions about the merit of your application.

9. Notification of application outcomes

We will advise you of the outcome of your application in writing. If you are successful, we advise you of any specific conditions attached to the grant.

If you are unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome with us. You can submit a new application for the same (or similar) project in any future

funding rounds. You should include new or more information to address the weaknesses that prevented your previous application from being successful.

10. Successful grant applications

10.1. Grant agreement

You must enter into a grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample [grant agreement](#) is available on business.gov.au and GrantConnect.

We must execute a grant agreement with you before we can make any payments. Execute means both you and the Commonwealth have signed the agreement. We are not responsible for any expenditure you incur until a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Ministerial Panel. We will identify these in the offer of funding.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

10.2. Standard grant agreement

We will use a standard grant agreement for all projects.

You will have 60 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Ministerial Panel.

10.3. Project specific legislation, policies and industry standards

You must comply with all relevant laws and regulations in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

In particular, you will be required to comply with:

- State/Territory legislation in relation to working with children
- *Code for the Tendering and Performance of Building Work 2016*⁴ ([Building Code 2016](#))
- Australian Government Building and Construction WHS Accreditation Scheme⁵ ([WHS Scheme](#))

These regulations are subject to the level of funding you receive as outlined below.

To be eligible, you must declare in your application that you comply with these requirements. You will need to declare you can meet these requirements in your grant agreement with the Commonwealth.

⁴ <https://www.abcc.gov.au/building-code>

⁵ <http://www.fsc.gov.au/sites/fsc/needaccredited/accreditationscheme/pages/theaccreditationscheme>

10.3.1. Building and Construction Requirements

Wherever the government funds building and construction activities, the following special regulatory requirements apply.

- *Code for the Tendering and Performance of Building Work 2016*⁶ ([Building Code 2016](#))
- Australian Government Building and Construction WHS Accreditation Scheme⁷ ([WHS Scheme](#))

These regulations are subject to the level of funding you receive as outlined below.

10.3.1.1. Building Code

The Building Code is administered by relevant State and Territory administrations under relevant State or Territory legislation on behalf of the Australian Building and Construction Commission.⁸

The Building Code applies to all construction projects funded by the Australian government through grants and other programs where:

- the value of Australian Government contribution to a project is at least \$5 million and represents at least 50 per cent of the total construction project value; or
- regardless of the proportion of Australian Government funding, where the Australian Government contribution to a project is \$10 million or more.

10.3.1.2. WHS Scheme

The WHS Scheme is administered by the Office of the Federal Safety Commissioner.⁹

The Scheme applies to projects that are directly or indirectly funded by the Australian Government where:

- the value of the Australian Government contribution to the project is at least \$6 million and represents at least 50 per cent of the total construction project value; or
- the Australian Government contribution to a project is \$10 million (GST inclusive) or more, irrespective of the proportion of Australian Government funding; and
- a head contract under the project includes building work of \$4 million or more (GST Inclusive).

10.4. How we pay the grant

The grant agreement will state the:

- maximum grant amount we will pay
- proportion of eligible expenditure covered by the grant (grant percentage)
- any financial contribution provided by you or a third party.

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.

⁶ <https://www.abcc.gov.au/building-code/building-code-2016>

⁷ <http://www.fsc.gov.au/sites/fsc/needaccredited/accreditationscheme/pages/theaccreditationscheme>

⁸ <https://www.abcc.gov.au/>

⁹ <http://www.fsc.gov.au/sites/FSC>

We may make an initial payment on execution of the grant agreement. We will make subsequent payments as you achieve milestones in arrears, based on your actual eligible expenditure. Payments are subject to satisfactory progress on the project.

We set aside at least 10 per cent of the total grant funding for the final payment. We will pay this when you submit a satisfactory end of project report demonstrating you have completed outstanding obligations for the project. We may need to adjust your progress payments to align with available program funds across financial years and/or to ensure we retain a minimum up to 10 per cent of grant funding for the final payment.

The Program Delegate may approve alternative arrangements on a discretionary basis.

10.5. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities.¹⁰

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the [Australian Taxation Office](#). We do not provide advice on tax.

11. Announcement of grants

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the *Commonwealth Grants Rules and Guidelines* unless otherwise prohibited by law. We may also publish this information on business.gov.au. This information may include:

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- your organisation's industry sector.

12. How we monitor your grant activity

12.1. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details

¹⁰ See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

- bank account details.

If you become aware of a breach of terms and conditions under the grant agreement, you must contact us immediately.

You must notify us of events relating to your project and provide an opportunity for the Minister or their representative to attend.

12.2. Reporting

You must submit reports in line with the grant agreement. We will provide sample templates for these reports as appendices in the grant agreement. We will remind you of your reporting obligations before a report is due. We will expect you to report on:

- progress against agreed project milestones
- project expenditure, including expenditure of grant funds
- contributions of participants directly related to the project.

The amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

12.2.1. Progress reports

Progress reports must:

- include details of your progress towards completion of agreed project activities
- include the agreed evidence as specified in the grant agreement
- show the total eligible expenditure incurred to date
- include evidence of expenditure (if requested)
- be submitted by the report due date (you can submit reports ahead of time if you have completed relevant project activities).

We will only make grant payments when we receive satisfactory progress reports.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

12.2.2. End of project report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- include a declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money
- be submitted by the report due date
- be in the format provided in the grant agreement.

12.2.3. Ad-hoc reports

We may ask you for ad-hoc reports on your project. This may be to provide an update on progress, or any significant delays or difficulties in completing the project.

12.3. Independent audits

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure. The report template is attached to the sample grant agreement.

12.4. Compliance visits

We may visit you during the project period, or at the completion of your project to review your compliance with the grant agreement. We may also inspect the records you are required to keep under the grant agreement. For large or complex projects, we may visit you after you finish your project. We will provide you with reasonable notice of any compliance visit.

12.5. Grant agreement variations

We recognise that unexpected events may affect project progress. In these circumstances, you can request a variation to your grant agreement, including:

- changing project milestones
- extending the timeframe for completing the project but within the maximum time period (i.e. 31 December 2022) referred to in section 3.2.
- changing project activities.

Note the program does not allow for:

- an increase of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the grant agreement end date. We can provide you with a variation request template.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough program funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

12.6. Evaluation

We will evaluate the program to determine the extent to which the funded activity is contributing to the program objectives and outcomes. We may use information from your application and project reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in

achieving its outcomes. We may contact you up to two years after you finish your project for more information to assist with this evaluation.

12.7. Grant acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

‘This project received grant funding from the Australian Government.’

You must erect signage in relation to the project, the signage must contain an acknowledgement of the grant.

12.8. Maintaining project benefits

In your grant agreement, you will be required to commit to operate and maintain your project infrastructure and deliver project benefits into the future. In line with your grant agreement, the operational periods are relative to total eligible project cost.

Table 4 – Operational periods for maintaining project benefit

Project Cost	Number of years
< \$250,000	1 year
\$250,000 to \$1 million	3 years
> \$1 million	5 years
Projects granted exceptional circumstances exempt from a cash contribution (see section 4.2.1)	5 years

13. Probity

We will make sure that the grant opportunity process is fair, according to the published guidelines, incorporates appropriate safeguards against fraud, unlawful activities and other inappropriate conduct and is consistent with the CGRGs.

13.1. Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity or program. There may be a conflict of interest, or perceived conflict of interest, if our staff, any member of a committee or advisor and/or you or any of your personnel:

- has a professional, commercial or personal relationship with a party who is able to influence the application selection process, such as an Australian Government officer
- has a relationship with or interest in, an organisation, which is likely to interfere with or restrict the applicants from carrying out the proposed activities fairly and independently or
- has a relationship with, or interest in, an organisation from which they will receive personal gain because the organisation receives a grant under the grant program/ grant opportunity.

As part of your application, we will ask you to declare any perceived or existing conflicts of interests or confirm that, to the best of your knowledge, there is no conflict of interest.

If you later identify an actual, apparent, or perceived conflict of interest, you must inform us in writing immediately.

Conflicts of interest for Australian Government staff are handled as set out in the Australian [Public Service Code of Conduct \(Section 13\(7\)\)](#)¹¹ of the [Public Service Act 1999 \(Cth\)](#).¹² Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our conflict of interest policy on the department's [website](#).¹³

13.2. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.2.1, or
- personal information as per 13.2.3,

we may share the information with other government agencies for a relevant Commonwealth purpose such as:

- to seek advice to assist with the assessment of your project
- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

13.2.1. How we handle your confidential information

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

13.2.2. When we may disclose confidential information

We may disclose confidential information:

- to the Ministerial Panel and our Commonwealth employees and contractors, to help us manage the program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or

¹¹ https://www.legislation.gov.au/Details/C2017C00270/Html/Text#_Toc491767030

¹² <https://www.legislation.gov.au/Details/C2017C00270>

¹³ <https://www.industry.gov.au/sites/g/files/net3906/f/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf>

- someone other than us has made the confidential information public.

13.2.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Cth). This includes letting you know:

- what personal information we collect
- why we collect your personal information
- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, the panel, and other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department's websites.

You may read our [Privacy Policy](#)¹⁴ on the department's website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

13.2.4. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

13.3. Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by [web chat](#) or through our [online enquiry form](#) on business.gov.au.

We may publish answers to your questions on our website as Frequently Asked Questions.

Our [Customer Service Charter](#) is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

¹⁴ <https://www.industry.gov.au/data-and-publications/privacy-policy>

If you are not satisfied with the way we handle your complaint, you can contact:

Head of Division
AusIndustry – Support for Business
Department of Industry, Innovation and Science
GPO Box 2013
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman¹⁵](#) with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

¹⁵ <http://www.ombudsman.gov.au/>

14. Glossary

Term	Definition
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.
AusIndustry	The division of the same name within the department.
Cash contributions	<p>Money contributed to the project from each contributing organisation (the grantee and other contributing organisations) and is provided to the grantee for the project and is immediately available for use on the project.</p> <p>Cash contributions can come from any source including State, Territory and local government grants.</p> <p>Cash contributions can also come from Aboriginal Benefits Account, Financial Assistance Grants to local government and fully repayable loans from organisations such as Indigenous Business Australia and the Northern Australia Infrastructure Facility, as these are not considered Commonwealth funding.</p>
Commonwealth Grants Rules and Guidelines (CGRGs)	<p>The CGRGs are issued by the Finance Minister under section 105C of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).</p> <p>The CGRGs establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration.</p>
Decision Maker	Is the Ministerial Panel, chaired by the Minister for Infrastructure, Transport and Regional Development, which has been established to make funding decisions for the program.
Department	The Department of Industry, Innovation and Science.
Drought Communities Programme - Extension	<p>The Drought Communities Programme Extension provides funding to Eligible Councils to deliver immediate economic stimulus and other benefits to targeted drought-affected regions of Australia. The program will support local community infrastructure and other drought relief projects for communities who have been impacted by drought. For further information please refer:</p> <p>www.business.gov.au/assistance/drought-communities-programme</p>
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.

Term	Definition
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.3. You can only use BBRF grant funds or cash contributions for eligible expenditure directly related to the project.
Eligible expenditure guidelines	The guidelines that are at Appendix A.
GrantConnect	The Australian Government's whole-of-government grants information system, which centralises the publication and reporting of Commonwealth grants in accordance with the CGRGs.
Grant agreement	A legally binding contract between the Commonwealth and a grantee for the grant funding.
Grant funding or grant funds	The funding made available by the Commonwealth to grantees under the program.
Grantee	The recipient of grant funding under a grant agreement.
Guidelines	Guidelines that the Minister gives to the department to provide the framework for the administration of the program, as in force from time to time.
Incurred	An incurred expense is a legal liability for receiving goods or services.
Infrastructure	Fixed physical structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a community.
Investment ready project	<p>Project construction is ready to commence in the immediate future and where you have:</p> <ul style="list-style-type: none"> ▪ the authority of the land or infrastructure project owner to undertake the project at the nominated site ▪ confirmed funding contributions from all sources and can provide formal documentation to verify those contributions with your application ▪ identified and prepared submissions for all required regulatory and/or development approvals or have already submitted and/or obtained those approvals ▪ finalised project designs and costings
Local government agency or body	A local governing body as defined in the <i>Local Government (Financial Assistance) Act 1995</i> (Cth).
Minister	The Commonwealth Minister for Infrastructure, Transport and Regional Development

Term	Definition
Ministerial Panel	The panel of Ministers that make decisions on projects to be funded.
Non-income-tax-exempt	Not exempt from income tax under Division 50 of the <i>Income Tax Assessment Act 1997</i> (Cth) or under Division 1AB of Part III of the <i>Income Tax Assessment Act 1936</i> (Cth).
Not for profit (NFP)	<p>An organisation that does not operate for the purpose of profit, personal gain or other benefit of particular people, when it is in operation or when it is wound up.</p> <p>Whilst a NFP is allowed to generate profits, the profits must be used to carry out its purpose (e.g. charitable purpose) and cannot be distributed to owners, members or private people.</p>
Payment in advance	Payments made progressively in advance based on your forecast eligible expenditure and adjusted for unspent amounts from previous payments.
Payment in arrears	Payments made progressively based on actual expenditure.
Personal information	<p>Has the same meaning as in the <i>Privacy Act 1988</i> (Cth) which is:</p> <p>Information or an opinion about an identified individual, or an individual who is reasonably identifiable:</p> <ol style="list-style-type: none"> a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
Program Delegate	An AusIndustry general manager or manager within the department with responsibility for the program.
Program funding or Program funds	The funding made available by the Commonwealth for the program.
Project	A project described in an application for grant funding under the program.
Project location	Where the project is undertaken, as determined by its latitude and longitude.
Project period	The time between the project start date and project end date as detailed in the grant agreement.
Project start date	The date as detailed in the grant agreement which cannot be before grant agreement execution.

Term	Definition
Project end date	The date as detailed in the grant agreement, which cannot be after 31 December 2022.
Total eligible project cost	This is the grant amount plus your cash contribution to be spent on eligible activities directly related to the project.
Value with relevant money	The processes, actions and behaviours employed by the Australian Government and grant recipients which result in public resources being used in an efficient, effective, economical and ethical manner.

Appendix A. Eligible expenditure

This section provides guidance on the eligibility of expenditure.

The Program Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period
- be a direct cost of the project
- be incurred by you to undertake required project audit activities
- meet the eligible expenditure guidelines.

You can only use Building Better Regions Fund (BBRF) grant funds or cash contributions for eligible expenditure. Non-cash contributions are not eligible. For BBRF purposes, non-cash contributions have the following characteristics:

- no impact on entity cash flow
- no record in the entity's statement of financial performance.

In-kind contributions are not eligible expenditure.

How we verify eligible expenditure

If your application is successful, we will ask you to verify the project budget that you provided in your application when we negotiate your grant agreement. You may need to provide evidence such as quotes for major costs.

The grant agreement will include details of the evidence you may need to provide when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must keep payment records of all eligible expenditure, and be able to explain how the costs relate to the agreed project activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you may be required to provide an independent financial audit of all eligible expenditure from the project.

Materials for construction

We consider costs of acquiring materials for the construction of infrastructure as eligible expenditure. You must list material costs as a separate item within your project budget in the application form and in the expenditure table in your progress reports.

We cannot consider any expenditure paid before the project start date as eligible expenditure.

Examples of eligible material costs can include:

- building materials
- ICT cabling
- fit out of the infrastructure, such as window dressings
- fixed furniture (e.g. kitchen fit outs as part of the construction of a building)

- landscaping.

You may show expenditure on materials by providing evidence of:

- purchase price
- payments (e.g. tax invoices and receipts from suppliers confirming payment)
- commitment to pay for the materials (e.g. supplier contract, purchase order or executed lease agreement)
- receipt of materials (e.g. supplier or freight documents)
- associated costs such as freight and installation (e.g. supplier documents)
- photographs of the infrastructure on your premises.

If you claim expenditure for materials, we limit this to:

- the costs of materials
- freight costs.

Hired/leased plant

You must calculate eligible expenditure for hired, rented, or leased plant by the number of payment periods where you use the plant for the project multiplied by the period hiring fee. If you purchase plant under a hire purchase agreement, or you use a lease to finance the purchase of the plant, the cost of the item of plant, excluding interest, is capitalised, and then depreciated.

Running costs for hired or leased plant are eligible expenditure but you must be able to verify them. They may include items such as hire, light and power, and repairs and maintenance.

Contract expenditure

Eligible contract expenditure is the cost of work undertaken on eligible activities that you contract others to do. These can include contracting:

- another organisation
- an individual who is not an employee, but engaged under a separate contract.

This does not include existing employees that you pay a salary or a wage.

All contractors must have a written contract prior to starting any project work—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We will require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders

- supply agreements
- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. We may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

External labour hire and external consulting expenditure

Eligible external labour and external consulting expenditure for the grant covers the cost of contracting others on the core elements of the project related to construction.

Eligible external labour hire and external consulting expenditure may include:

- Architect services
- Design services
- Project management
- Quantity surveying
- Building services.

Other eligible expenditure

Other eligible expenditures for the project may include:

- financial auditing of project expenditure
- costs you incur in order to obtain planning, environmental or other regulatory approvals during the project period. However, associated fees paid to the Commonwealth, state, territory and local governments are not eligible
- agreed Building Better Regions Fund signage if applicable.

Other specific expenditures may be eligible as determined by the Program Delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

Appendix B. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time, so you should make sure you have the current version from the business.gov.au website before preparing your application.

The Program Delegate may impose limitations or exclude expenditure, or further include some ineligible expenditure listed in these guidelines in a grant agreement or otherwise by notice to you.

Examples of ineligible expenditure include:

- purchase of land or existing infrastructure, including the costs associated with sub-division of land
- repair or replacement of existing infrastructure where there is no demonstrated significant increase in benefit
- purchase and installation of manufacturing equipment
- purchase of unfixed furniture, such as desks and fridges
- ongoing operating costs, including utilities
- ICT equipment, including software or hardware that is not an integral part of the funded infrastructure project
- payment of salaries for the applicant's employees
- project overhead items including office equipment, vehicles or mobile capital equipment. Examples include trucks and earthmoving equipment and the applicant's internal plant operating costs
- business case development and feasibility studies
- costs related registered training organisation training activities
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges
- fees paid to the Commonwealth, state, territory and local governments to obtain planning, environmental or other regulatory approvals.

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.