



Department of
**Primary Industries and
Regional Development**



REGIONAL ECONOMIC DEVELOPMENT (RED) GRANTS

Guidelines

Round 7

Supported by the State Government

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1. OVERVIEW

The RED Grants program is a State Government initiative that invests in projects that contribute to economic growth and development in regional Western Australia.

The State Government is investing up to \$10 million for this Round (Round 7) of the program.

Eligible applicants can apply for RED Grants funding of up to **\$250,000** for individual projects in Round 7.

2. INTRODUCTION

These Guidelines contain important information for applicants about the Regional Economic Development (RED) Grants Program.

The nine Regional Development Commissions (RDCs) will deliver and implement funding rounds for the RED Grants Program within their region.

The Department of Primary Industries and Regional Development (DPIRD) will oversee delivery of the overall Program.

Round Seven (7)

Applications open: 24 April 2024

Applications close: 26 June 2024

3. OBJECTIVES AND SCOPE

The RED Grants Program provides funding to support locally driven projects that will contribute to economic growth in regional communities.

The objectives of the RED Grants Program include:

- sustainable jobs;
- expanding or diversifying industry;
- developing skills or capabilities;
- attracting new investment in the region;
- increasing productivity

4. ELIGIBILITY CRITERIA

Who is Eligible?

To be eligible for RED Grant funding an applicant **must**:

- be a legal entity capable of entering into a legally binding and enforceable financial assistance agreement (**Grant Agreement**) with the Western Australian State Government;
- have an Australian Business Number (ABN);
- have an account with an authorised deposit-taking institution (an Australian financial institution or bank) registered with the Australian Prudential Regulation Authority.

Who is not Eligible?

You are **not** eligible to apply if you are a:

- State or Federal Government Agency;
- Government Trading Enterprise (GTE);
- School;
- Hospital; or
- A Trustee that is not empowered through the Trust Deed to enter into an agreement with the State Government to receive funding.

What is not Eligible?

Items or activities that are **not** eligible for funding include:

- Retrospective payments or expenditure incurred prior to execution of a RED Grants funding agreement.
- Ongoing costs incurred after the initiative is completed (e.g. operating and maintenance costs).
- Existing staff salaries for core business activities.
- Operational overheads (such as rent, insurance, telephone etc.).

5. ASSESSMENT CRITERIA

Applicants are required to demonstrate:

- a) How their project meets at least one of the following economic growth and development objectives:
- sustainable jobs;
 - expanding or diversifying industry;
 - developing skills or capabilities;
 - attracting new investment in the region;
 - Increasing productivity

For clarity on addressing these objectives, please refer to Section 4 of the application form.

Projects must align with one or both of the region's economic priorities (refer to the Pilbara Development Commission webpage or application form). The Pilbara economic regional priorities are:

- Economic development, diversification and innovation.
 - Aboriginal empowerment and prosperity.
- b) A minimum 50% **cash** contribution to the project (not-for-profit and Aboriginal Owned Organisations may be considered on a case-by-case basis). Proponent cash contributions are expected to exceed the minimum requirement. This will be considered in the application assessment process. Other State government funding will not be considered as part of the 50% co-contribution towards the project.
- c) Local partnerships and collaboration including co-investment/supported by key regional stakeholders.

- d) Delivery of local content outcomes.
- e) Alignment with region's themes/priorities (refer to relevant Regional Development Commission web page or application form).
- f) A wider economic development benefit outside of the applicant entity.
- g) The capacity to undertake and complete the project (past grant experience, project management and governance structure, experience of key personnel, project risk identification and mitigation).
- h) The capacity to meet ongoing operating and maintenance costs following the conclusion of the grant funding (if applicable).
- i) Financial capacity and sustainability and provide two years of financial statements verified by a member of the Certified Practising Accountants (CPA), Chartered Accountants Australia and New Zealand (CA), Institute of Public Accountants (IPA) or a registered auditor.

Local content

Applications must address what the project means for the local community/region in relation to jobs and economic activity.

Preference will be given to projects that demonstrate:

- Building the capability of local suppliers, and the opportunity for regional businesses to supply items/services for the project;
- Increased regional employment and regional business participation through subcontractors, suppliers, apprenticeships and traineeships;
- Support for emerging or new industries in the region, promotion and awareness of local industry/businesses; and
- Benefit to the regional economy through any other identifiable means.

6. ASSESSMENT AND DECISION MAKING PROCESS

The assessment process for RED Grants involves the following:

- RDCs will undertake an assessment of all applications using a competitive, merit based process.
- Pending eligibility, each application will be assessed against the criteria outlined in section 5 by the RED Grants assessment team in each region.
- Recommendations will be submitted to the Minister for Regional Development for final approval.
- All Applicants will be advised of the outcome of the assessment process.
- Grant Agreements will be developed and executed with successful applicants.

Applicants should note that:

- the assessment and decision making process could take up to six (6) months and this should

- be considered during project planning: and
- each RDC reserves the right to request more information to clarify aspects of the application.

7. HOW TO APPLY

After reading the Guidelines, you should contact the relevant RDC to discuss your project prior to progressing or submitting an application for funding. Contact information for each RDC:

| RDC | Telephone | Email | Web Address |
|----------------------|-----------|----------------------------------|-------------------------|
| Gascoyne | 9941 7000 | info@gdc.wa.gov.au | www.gdc.wa.gov.au |
| Goldfields-Esperance | 9080 5000 | grants@gedc.wa.gov.au | www.gedc.wa.gov.au |
| Great Southern | 9842 4888 | gdo@gcdc.wa.gov.au | www.gcdc.wa.gov.au |
| Mid West | 9956 8578 | grants@mwdc.wa.gov.au | www.mwdc.wa.gov.au |
| Kimberley | 9194 3000 | gpo@kdc.wa.gov.au | www.kdc.wa.gov.au |
| Peel | 9535 4140 | grants@peel.wa.gov.au | www.peel.wa.gov.au |
| Pilbara | 9173 8401 | grants@pdc.wa.gov.au | www.pdc.wa.gov.au |
| South West | 9792 2000 | grantscoordinator@swdc.wa.gov.au | www.swdc.wa.gov.au |
| Wheatbelt | 9622 7222 | grants@wheatbelt.wa.gov.au | www.wheatbelt.wa.gov.au |

Note: Where funding is sought for projects across multiple regions, applicants will be required to submit separate applications to each RDC, as they will be assessed independently. Details of each regional component and the amount of funding sought for the entire project will need to be included in their applications. Applicants should seek advice on their project proposal with each RDC where funding will be sought, prior to the submission of an application.

Submitting an online application

Applications from eligible organisations must be submitted online using the SmartyGrants application form link available on the relevant Regional Development Commission (RDC) website (web addresses shown above).

To be considered for funding, completed applications must be submitted by the closing time and date specified on each of the RDC web pages. Please note the SmartyGrants system will close automatically at the specified time of the closing date and you will not be able to lodge a late application.

Applications received by other means will not be eligible for consideration unless agreed to by the relevant RDC. All applicants will be notified by email that their application has been received.

8. PERSONAL INFORMATION AND DISCLOSURE OF INFORMATION IN APPLICATION

Applicants should be aware that DPIRD and RDCs are subject to the *Freedom of Information Act 1992 (WA)*, which provides a general right of access to records held by State Government agencies and local governments.

Applicants are advised that information pertaining to the receipt of State Government financial assistance will be tabled in the Western Australian Parliament and listed in Government media statements. This information could include the name of the recipient, name of the Project, the RED Grant funding amount, total project budget, including name and amount of other leveraged funding sources and project description. This could result in requests for more details to be released publicly.

Successful applicants should be aware that a summary of the key project details and approved funding amount might appear on the relevant RDC website.

Each RDC and the State reserves the right to discuss an application with subject matter experts if it is deemed necessary to assist in assessing the application.

9. CONDITIONS AND OBLIGATIONS THAT APPLY TO SUCCESSFUL APPLICANTS

Before receiving any funds, successful applicants will be required to enter into a Grant Agreement, which will outline the conditions of the grant funding.

All projects must be approved and a Grant Agreement executed prior to project commencement. No retrospective payments will be made.

- A Grant Agreement must be executed confirming the funding conditions within 12 months of the written funding offer being received or the funding offer may be withdrawn.
- The Grant Agreement must be signed and returned to the relevant RDC within sixty (60) days of the date of issue.

Progressive payments may be made where applicable following execution of a Grant Agreement and subject to the applicant providing the relevant RDC with:

- sufficient information (including a written report) on the agreed milestones to indicate that the project is progressing satisfactorily; and
- a statement of income and expenditure for the project to the date of the progressive payment claim, signed by the applicant's Chief Executive Officer or equivalent position. This statement should include details of eligible project expenditure compared to budget.

As a condition of funding, all grant recipients will be required to provide a detailed Final Report (Acquittal) to the relevant RDC within twelve (12) weeks of the completion of the project. For projects receiving funding of more than \$50,000, the final report must be audited by an independent auditor, unless advised otherwise.

The Acquittal report will need to align with the outcomes stated in the grant agreement.

10. TAX INFORMATION

Funding provided to recipients under the Grant is regarded as payment for a supply. GST registered grant recipients will therefore be liable for GST in connection with the grant.

The grant will be increased by the amount of GST payable. Recipients must provide a tax invoice for the GST- inclusive value of the grant.

Applicants are encouraged to seek independent tax and financial advice on the potential implications of obtaining funding, including the impact on assessable income.

11. CONFLICTS OF INTEREST

Each RDC reserves the right not to support an application if it is not satisfied that adequate arrangements are in place to appropriately address and manage a perceived or actual conflict of interest.