

Frequently Asked Questions

Regional Growth Fund

What is the Regional Growth Fund?

The \$150 million Regional Growth Fund's purpose is to facilitate new economic activity and build and strengthen communities for regional South Australia.

The Fund provides opportunities to leverage government and private funding to deliver critical economic infrastructure designed to create direct economic benefits across industries or multiple entities in regional South Australia.

Valuable projects will include those committed to employing local people and sourcing products and services from local suppliers, and to fostering collaboration. Projects that seek to leverage funds from non-State Government sources will also be looked on favourably.

Applicants will be required to demonstrate that their project or activity:

- Drives new economic activity to produce outcomes that would not occur otherwise
- Delivers transformational change for an industry or sector, rather than incremental improvement
- Creates new or additional sustained economic benefits for the community / region beyond the applicant
- Connects to a specific regional community
- Ensures that further intervention by government after the funding is provided, is not required to sustain the project or its benefits.

Projects will also be assessed on secondary criteria including their contribution towards:

- Growing regional population and promoting skilled migration
- Providing productive economic infrastructure
- Increasing merchandise and service exports, import replacement and direct investment into South Australia
- Business facilitation factors (e.g. greater skills training opportunities)
- Building the resilience of the regional economy to deal with shocks and take advantage of emerging opportunities
- Reducing the cost of doing business in South Australia.

How do I get a copy of the guidelines and the application form?

The PIRSA website contains a guide to applying, and a link to the online application form.

Visit www.pir.sa.gov.au/regionalgrowthfund

What is available?

Up to \$5 million per year will be available through a single competitive round. The 2019-20 round is open from 1 July 2019 until 5pm 9 August 2019.

Funding will be available to applicants in a range from \$50,000 to a maximum of \$2 million. Applicants are expected to contribute at least half of the total financial costs of the project, or make a strong case for why more public investment is required.

Who is eligible to apply for the Regional Growth Fund?

Eligible organisations include:

- Local government bodies
- Incorporated associations
- Business clusters.

What are the eligibility requirements?

Eligible organisations must:

- Be legal entities, i.e. with which the Government of South Australia can enter into a legally binding funding agreement. PIRSA may require third parties who have a significant financial interest in the project (for example, parent companies or landowners) to be a party to the Funding Deed
- Have an Australian Business Number, and be registered for GST
- Demonstrate the availability to complete the project, exclusive of in-kind contributions, and funding from other State and Commonwealth Government sources.

What is an eligible project?

Examples of eligible projects may include:

- Power infrastructure e.g. solar, wind, biowaste
- Community infrastructure
- Innovation
- Branding and marketing associated with higher-value markets
- Mobile and internet connectivity
- Regional ports and airports
- Efficient water infrastructure
- Telecommunications
- Regional roads (non-government owned)
- Bridges
- Weather stations.

What is an ineligible project?

Examples of ineligible projects may include:

- Projects undertaken on behalf of third parties
- The purchase of land or a business
- Requests for retrospective funding, where projects have been completed or have commenced prior to the application being approved by the Minister
- Projects relating primarily to operational expenditure, including but not limited to regular repairs and maintenance
- Costs associated with upgrading non-fixed equipment, or relate to administrative or running costs that are normally the responsibility of businesses, state or territory agencies or local councils
- Projects that require ongoing recurrent State Government funding
- Feasibility studies, business cases and reports
- Costs associated with the preparation that form part of the application
- Human resources (i.e. grant funding will not be provided to meet internal staffing costs)
- Projects that have already received assistance from the Regional Growth Fund or other grant funds to achieve the same project outcomes.

APPLICATION PROCESS

What is the application process?

Applicants complete the application form online. This application is submitted to PIRSA with supporting documents.

Applications will be assessed by an independently chaired panel, which will make recommendations to the Minister for Primary Industries and Regional Development. Successful applicants will be invited to enter into a legal contract with the Government of South Australia.

It's the end of the financial year and my accountant is very busy, do I have to send detailed financial statements now or can we delay it?

Essential information required in your application includes:

- Documents that demonstrate that the applicant (or business cluster lead) is a legal entity eligible to apply – including and Australian Business Number (ABN), Incorporated Association Certificate
- A project plan including scope, budget and timeframes.

As a project is assessed, PIRSA or the South Australian Government Financing Authority may contact you to seek further information or to clarify submitted information.

Can a university, school, TAFE apply for funding?

If it is an eligible organisation.

Can a community club apply for funding?

If it is an eligible organisation.

We are based in the metropolitan Adelaide; can we apply?

If it is an eligible organisation and can demonstrate that the project creates direct economic benefits across industries or multiple businesses or users in regional South Australia that extends beyond the metropolitan region.

Maps of the South Australian government regions are available here:

<https://www.sa.gov.au/topics/planning-and-property/planning-and-land-management/land-supply-and-planning-system>

What is meant by a ‘business cluster’?

A group of two or more non-associated organisations willing to share financial commitment to a project. They may be a joint venture, consortia, partnership, cooperative or other model, or only collaborating for the purpose of this project. It is up to the applicant to determine the right clustering model for their project. If no formal arrangements have been made to bring the non-associated organisations together, a lead partner must be identified that will accept responsibility for contractual obligations.

Examples of business clusters funded in the 2018-19 Regional Growth Fund include:

- Lot 100 Beverage Consortium
- Goolwa Pipi Co
- Apple and Pear Growers’ Association

Examples of what are **not** business clusters:

- Vertically integrated businesses which comprise a parent company (or other legal entity) and subsidiaries
- A collection of business enterprises which have common ownership and control e.g. many businesses are structured as a principal trading entity with associated trust(s) which hold assets
- Businesses providing goods and services to other businesses in the normal course of business.

What are the responsibilities of cluster members?

The lead organisation will be responsible for entering into a legally binding funding agreement. Cluster members are required to provide a letter of commitment, and will be required to be named in the application and include their financial co-contribution.

Can I apply for more than one project, which together meet the funding threshold?

Your project may include a number of strategically linked projects which together form a Package of Works that will deliver sustainable economic benefits to a region or regions and does not require ongoing State Government funding.

Can a project be in multiple locations?

Your project may include multiple site locations but must be located in South Australia and demonstrate that the project will deliver economic benefits to a region or regions that is beyond the metropolitan region.

Can I apply even if I have not yet secured funding from my bank/financial institution?

You need to demonstrate that you have the capacity to complete the project, with preference given to applications able to demonstrate they will commence within six months of the grant being approved.

If any project costs are to be met by borrowing additional funds, please provide a copy of the letter of offer from your financial institution.

Can I apply if I have no finalised architects' drawings or development approval yet?

In your application you should supply the latest version of the architect/engineering plans for the project with the final costings. Where appropriate, please supply letters / documentation confirming relevant planning approvals are in place or progressing.

Preference will be given to projects that commence within six months of approval.

When will I find out if the application has been successful?

Applications will be processed as quickly as possible from the time applications close.

Please note, the number of applications and their levels of complexity may result in a longer assessment period. We ask you to be patient.

If I am successful, what happens next?

You will be contacted by PIRSA via email.

Details regarding the funding deed and ways to promote and launch your project in conjunction with the Minister for Primary Industries and Regional Development will be provided to you.

If I am rejected after the initial round, can I reapply when I have more information for the same project?

There will be future competitive funding rounds in subsequent years.

ASSESSMENT

How will my application for the competitive funding round be assessed?

Applications will be assessed on a competitive basis against the Fund's primary criteria, and on the extent to which they demonstrate a commitment to secondary criteria.

Applications will be assessed by a three-member panel, which will include an independent chair.

The panel will consider applications and submit its advice through PIRSA to the Minister for Primary Industries and Regional Development for consideration.

Applications will undergo comprehensive due diligence by the South Australian Government Financing Authority to determine the applicant's financial capability and the project's commercial feasibility.

Assessment of criteria will be weighted to ensure projects are prioritised against the Fund's principles.

The assessment will also consider whether a project, or elements of a project, are more appropriately funded by other State, Commonwealth and/or Local Government or industry sources.

Regional Growth Fund Competitive Round 2019 - 2020	
Regional Growth Fund announced	1 July 2019
Applications open	1 July
Applications close	9 August

Against what criteria are applications assessed?

All applications to the RGF are assessed and prioritised based on how well the project meets the following Primary criteria:

- Drives new economic activity to produce outcomes that would not occur otherwise
- Delivers transformational change for an industry or sector, rather than incremental improvement
- Creates new or additional sustained economic benefits for the community / region beyond the applicant
- Connects to a specific regional community
- Ensures that further intervention by government after the funding is provided, is not required to sustain the project or its benefits.

Projects will be looked favourably upon if they address the secondary criteria listed below:

- Growing regional population and promoting skilled migration
- Providing productive economic infrastructure
- Increasing merchandise and service exports, import replacement and direct investment into South Australia business facilitation factors (e.g. greater skills training opportunities)
- Building the resilience of the regional economy to deal with shocks and take advantage of emerging opportunities
- Reducing the cost of doing business in South Australia.

What does it mean that assessment of criteria will be weighted?

Assessment of criteria will be weighted to ensure projects are prioritised against the Fund's key principles.

What documentation should I supply?

Essential information required in your application includes:

- Documents that demonstrate that the applicant (or business cluster lead) is a legal entity eligible to apply – including and Australian Business Number (ABN), Incorporated Association Certificate
- A project plan including scope, budget and timeframes.

You **may wish** to supply additional documentation to assist in evaluation of your proposal. This information includes:

- Financial Statements for the last 3-5 years - preferably audited, but if not, independently prepared
- A Business Plan showing demand / supply assumptions
- Project Financial modelling - with cash-flow forecast, profit & loss, capital expenditures
- Corporate Structure (ownership and governance structure)

PIRSA or the South Australian Government Financing Authority may contact you to seek this information if not provided and any further details to clarify submitted information.

Do I have to supply information about who my local suppliers are yet or can I wait until I have got more quotes?

No.

Can I be considered for funding if I have received funding from another Government source?

While leveraging funds from other sources, such as the Commonwealth and other State agencies is encouraged, you will need to be able to clearly demonstrate the outcomes of your funding contribution to the RGF project separately to the outcomes being funded by other Government funding sources.

You can't use the funds received from another Government source as your matching funds for this application to the Regional Growth Fund Competitive Pool.

Projects that have already received assistance from the Regional Growth Fund or other grant funds to achieve the same project outcomes are ineligible.

Is grant funding subject to tax?

Yes. Before applying for the Regional Growth Fund, applicants should seek advice on tax implications from their tax advisers or the Australian Taxation Office.

Can I include in-kind contributions into my financial contribution?

In-kind contributions are not included in calculating the financial contribution to the project.

Can my cluster members be based in another state but have a project happening in South Australia?

Yes. The project must benefit regional South Australia beyond the metropolitan region.

Who can assist me with my application?

Applicants are encouraged to seek the support of PIRSA's Regional Coordinator for their region when developing a project or application.

Adelaide Hills, Fleurieu, Kangaroo Island Barossa, Light and Lower North	Trevor Bennett	0428 543 135
Limestone Coast	Peta Crewe	0427 012 510
Eyre and Western	Karen Hollamby	0459 897 020
Yorke & Mid North	Angela Ruddenklau	0417 519 228
Far North	Louise Foote	0429 998 787
Murray and Mallee	Barbara-Ann Cowey	0488 951 790

If I make a mistake with my application, can I resubmit it?

To amend a submitted application, the application needs to be withdrawn, with amendments made and the application resubmitted before the closing date.

Can I add extra information to my application after the closing date?

Once the application period has closed, further information cannot be submitted, however PIRSA or the South Australian Government Financing Authority may contact you to seek further information or to clarify submitted information.

What if I am having technical issues with the online form?

Who can I contact to help me?

Applicants should avoid submitting applications at the last minute, as high volumes of users can slow the system and may result in difficulties for you in completing your application. If you are experiencing technical difficulties when trying to submit your application, it is important you seek assistance from PIRSA. For initial assistance please contact PIRSA's Regions SA Strategy & Programs Manager on 8429 0709.

FUNDING ADMINISTRATION

How will the funding be administered?

The South Australian Government Financing Authority will negotiate the Schedule of a standard Crown-approved Funding Deed with successful applicants.

Is there a legal contract for the funding?

Successful applicants will also be required to enter into a standard Crown-approved Funding Agreement with the Government of South Australia in order to receive assistance. The clauses outlined in the standard agreement are not negotiable.

What does the Funding Deed commit us to?

The following conditions will be expected of any recipient of financial assistance, including but are not limited to the following:

- Complete the project as stated in the application
- Meet all key milestones and obligations as defined in the Funding Deed

- Seek prior consideration and approval, from the Minister through PIRSA, before making any changes to the project.

When do we receive the funding?

Grant payments are generally made on a reimbursement basis upon completion of milestones set out in the Funding Deed.

Payments are made upon presentation of paid invoices for approved project expenditure, including evidence of eligible applicant contributions.

However, upfront payments can be negotiated for projects approved under the Fund.

Final payments are made on receipt of a final report evidencing project completion.