

VICTORIAN FORESTRY PLAN

Community Development Fund

APPLICATION GUIDELINES
OCTOBER 2022

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1. Background

The Victorian Forestry Plan is the Victorian Government's plan to maintain as many regional jobs as possible as the industry transitions away from native timber harvesting. Under the plan, a package of more than \$200 million provides workers, businesses and communities time and support for this transition.

The Victorian Forestry Plan includes a Local Development Strategy program for eleven communities which will be significantly impacted by the end of native timber harvesting to undertake community-led economic diversification planning to support their economies' transition. The outputs of the Local Development Strategy program include identified innovation opportunities with accompanying business cases to support their implementation. These business cases are expected to be prepared from late 2022 through to mid-2024.

The \$22 million Community Development Fund (the Fund) is designed to support the early implementation of the business cases. The Fund will assist to maintain the momentum for the economic transition built up through the Local Development Strategy program and continue the development of new industries and opportunities.

2. Overview of the Community Development Fund

The Fund is available to the eleven towns and communities that have developed or are developing a Local Development Strategy.

The Fund is administered by the Department of Jobs, Precincts and Regions (the Department) and will be available from 2022-23 to 2026-27.

The Fund is being delivered as a contestable fund, where projects are assessed against merit criteria to identify those projects that can be supported via grant funding.



3. Objective and principles

The objective of the Fund is to support the implementation of the innovation opportunities identified in the Local Development Strategy. This will assist the town or community to transition to a more diverse economy and create sustainable work opportunities for all, including native timber workers.



Allocation of the \$22 million available through the Fund will be guided by the following principles:

- each town or community with a Local Development Strategy will receive a dedicated base level of funding for project management support and other activities
- the remainder of the funds will be allocated by the Department to particular innovation opportunities identified in Local Development Strategy business cases
- funding will be prioritised for the initiation of economic development and diversification projects
- communities will determine what innovation opportunities should be pursued in their community's location, taking into account the overall program objectives.

4. Project funding

4.1. Funding for each town or community

The eleven towns or communities eligible for the Community Development Fund are those that will be affected significantly by the Victorian Forestry Plan:

- Benalla
- Corryong
- Heyfield
- Koondrook
- Murrindindi (Alexandra, Taggerty, Buxton, Marysville, Narbethong)
- Noojee
- Nowa Nowa
- Orbost
- Swifts Creek
- Yarra Ranges (Powelltown, Yarra Junction, Warburton)
- Yarram

4.2. Project funding

The fund will use two funding streams:

Funding Stream 1: Funds for project management support (1a) and to upskill community members to build business expertise and community capability (1b).

Funding Stream 2: Funds to begin the early implementation of the actions identified in business cases developed through the Local Development Strategy program.

Community Development Fund Program	Amount	Who can apply	What can be funded?
Funding Stream 1			
1a – project management support	<ul style="list-style-type: none"> • Up to \$500,000 of dedicated funding 	<ul style="list-style-type: none"> • Community groups • Local Development Strategy host agencies 	<ul style="list-style-type: none"> • Project management support • Activities to upskill community members
1b – upskilling community members			
Funding Stream 2			
First innovation opportunity	<ul style="list-style-type: none"> • Up to \$500,000 of dedicated funding 	<ul style="list-style-type: none"> • Businesses • Community groups • Utilities 	<ul style="list-style-type: none"> • Activities to begin implementing one or more innovation opportunities
Second and subsequent innovation opportunities	<ul style="list-style-type: none"> • Up to \$500,000 per opportunity to a maximum of \$1.5 million (in addition to the funding for the first innovation opportunity) 	<ul style="list-style-type: none"> • Businesses • Community groups • Utilities 	<ul style="list-style-type: none"> • Activities to begin implementing one or more innovation opportunities

4.3. Funding Stream 1 – Funding for project management support and upskilling community members

Each town or community is eligible for up to \$500,000 to fund:

- project management support to co-ordinate and oversee the implementation of the Local Development Strategy (1a). The purpose of the project management support is to:
 - co-ordinate the implementation of the innovation opportunities through each Innovation Working Group established through the Local Development Strategy program
 - provide secretariat support to each Innovation Working Group established through the Local Development Strategy program
 - support each Innovation Working Group to undertake the activities required to implement the innovation opportunity
 - convene community meetings
 - lead the development of a communications strategy and communications collateral for the implementation of the innovation opportunities.
 - provide secretarial support to meetings
- activities to upskill community members to build business expertise and community capability, including (1b):
 - the identification of workforce and business support needs
 - community workforce capability and training
 - grant-writing assistance
 - succession planning and investor/investee advice
 - leadership development
 - business development support.

Who can apply for the Stream 1 funding?

Applications for this stream of funding will be considered from a business, community or industry group including:

- Local Development Strategy host agency
- a community organisation that oversees the implementation of the Local Development Strategy
- local government authority
- a business and industry cluster or network¹
- chamber of commerce or business association.

Applications for activities to upskill community members received from organisations other than the community organisation that oversees the implementation of the Local Development Strategy will need the endorsement of that community organisation.

If the Local Development Strategy host agency or the community organisation that oversees the implementation of the Local Development Strategy does not apply for Stream 1 funding, it is expected that the community organisation will endorse any application for project management support.

¹ A cluster or network needs to nominate a business or entity to enter the funding agreement and take on primary responsibility and liability for delivering the project.

4.4. Funding Stream 2 – Innovation opportunities

Funding amount

Each town or community may be eligible for up to \$2 million in funding to begin the early implementation of actions identified in business cases developed through the Local Development Strategy program for one or more innovation opportunities:

- \$500,000 (excluding GST) is dedicated funding to begin implementing one or more innovation opportunity business cases in each eligible town or community (provided the application meets all the necessary conditions)
- The remaining \$1.5 million (excluding GST) may be available to each town or community to fund actions identified in innovation opportunity business cases through a contestable process.

Following the assessment of applications against the criteria listed in Section 7, the Department will consider the spread of grants across the eligible towns and communities to ensure a fair allocation. Those applications that best meet the objectives of the program will be recommended for funding until the available \$11 million is expended.

Grants of over \$500,000 or applications for project funding made prior to the completion of a Local Development Strategy may be considered if the Department decides that the nature or location of the project warrants special consideration.

Applications for Funding Stream 2 will be accepted from any of the groups listed below. Note Funding Stream 2 grants do not have to be managed by each town or community's Local Development Strategy host agency or the community organisation as for Funding Stream 1 grants, as described in Section 5.3.

Applicants for Funding Stream 2 will be required to commit to providing project status reports and regular project updates to the Chair of the relevant Innovation Working Group, the Project Manager and the Department, as agreed to and specified in the grant agreement.

Who can apply for the Stream 2 funding?

Applications for Funding Stream 2 will be considered from:

- Private sector businesses
- Business, community and industry groups including:
 - Local Development Strategy host agencies
 - the community organisation that oversees the implementation of the Local Development Strategy
 - local government authorities
 - business and industry clusters and networks²
 - chambers of commerce and business associations
 - educational and research organisations
- Applications that involve the provision of enabling infrastructure necessary to activate projects delivering investment and jobs may be considered from:
 - utility and services providers
 - water corporations
 - local government authorities
 - incorporated not-for-profit organisations that operate as a business.

Eligible projects

Projects that may be funded through Funding Stream 2 are those that:

- are aligned to the outcomes of the community's Local Development Strategy
- are endorsed by the town or community's community organisation that oversees the implementation of the town's Local Development Strategy.

² See footnote 1.

Eligible activities

The types of activities that may be funded through Funding Stream 2 of the Community Development Fund include:

- initial funding for economic development or diversification projects identified through the Local Development Strategy program, including:
 - applied research and development
 - project management support
 - feasibility studies / business cases/funding submissions
 - marketing
 - logistics and supply chain development
- infrastructure improvements identified out of the Local Development Strategy activities, for example:
 - technology, plant and equipment, and communications
 - new or upgraded infrastructure including utility or service connections³.

Activities that will generally not be funded include:

- projects primarily to meet regulatory requirements
- requests for retrospective funding where projects have been completed or have commenced prior to receiving funding approval
- purchase of property
- projects undertaken by the private sector as a result of a Victorian Government contract
- projects normally funded through Commonwealth, State or local government sources
- projects requiring operational funding from the Victorian Government once completed.

Final decisions on the types of activities that will be funded are at the discretion of the Department and the Minister for Agriculture.

4.5. Funding conditions

Applicants should note:

- co-funding, whether cash or an in-kind contribution, will be considered favourably in the assessment process but is not mandatory
- a lower grant amount than that requested may be offered to a successful applicant
- all project costs included in the application must be exclusive of GST
- where required, grant recipients may be asked to provide written advice from the Australian Taxation Office that no withholding tax is required to be withheld from the grant payment.

Fair Jobs Code

The Victorian Government's Fair Jobs Code comes into effect on 1 December 2022.

The Fair Jobs Code allows the Victorian Government to use its purchasing power to promote secure employment and fair labour standards and to ensure compliance with employment, workplace and industrial laws.

Grants of \$500,000 and over (excluding GST) may need to comply with the Code – for more information please go to www.buyingfor.vic.gov.au/.

³ Note that applications that involve the provision of enabling infrastructure necessary to activate projects delivering investment and jobs will need a strong case aligning the project with the innovation opportunity and future job creation.

5. Key dates

Applications open: 25 October 2022

Applications close: 30 June 2026

Project commencement: The commencement date and milestone dates will be specified in the grant agreement based on details provided in the application.

Applications may be submitted at any time between the opening and closing dates. Applications submitted outside of these dates will not be considered.

Victorian State Election impact on dates

As the Victorian State election will be held on Saturday 26 November 2022, the Victorian Government will assume a caretaker role from 6 pm on 1 November 2022 until such time that either it becomes clear that the incumbent government will be returned, or when a new government is commissioned.

In line with the caretaker conventions, the incoming government will determine whether to proceed with this grant process and enter into the contract/award the grants after the caretaker period.

Applicants should be aware that:

- all information about this grant process represents the position of the current government only, and is subject to change; and
- the incoming government may decide to not proceed with this grant scheme.

6. Application, assessment and approval processes

6.1. Application process

Step 1 – Ensure eligibility

To ensure the suitability of projects, all applicants will need to go through the following process:

- read these application guidelines carefully to establish the proposed project's eligibility
- read the grant agreement terms and conditions for the funding offered
- discuss the proposed project with a Victorian Forestry Plan Community Transition Support Officer on 1800 318 182 or victorianforestryplan@djpr.vic.gov.au who can provide advice on the guidelines.

Once this discussion has taken place and the proposed project is considered to be potentially eligible for the Fund, the Victorian Forestry Plan Community Transition Support Officer will send the potential applicant a link to the application form.

Step 2 – Prepare and submit an application

Applications are to be created and submitted via the link provided to the potential applicant by the Victorian Forestry Plan Community Transition Support Officer.

Applicants will need to demonstrate how the project aligns with the Local Development Strategy outcomes and the eligible project activities listed in Section 4.

Applications should clearly and succinctly describe the project by detailing:

- the key activities to be undertaken
- project management arrangements
- resource requirements.

Documentation to support the project should be attached to the application. This documentation could be:

- the relevant Local Development Strategy business case
- a feasibility study
- a business plan
- evidence of support of the town or community's community organisation that oversees the implementation of the town's Local Development Strategy.

For grants over \$50,000, applicants (with the exception of exempt organisations such as Local Government Authorities and universities) will be asked to provide copies of annual reports and audited financial statements (audited profit and loss statements and balance sheets) covering the last three years with their application. This will enable the Department to assess the financial viability of the applicant and their ability to manage and complete the project.

If applicant organisations are unable to provide annual reports and audited financial statements for the last three years, they must discuss other means by which the Department can assess their financial viability and ability to manage and complete the project with a DJPR Community Transition Support Officer before submitting an application.

Step 3 – Assessment of application

The process to assess each application will be as follows:

a. Eligibility assessment

The application will be assessed to determine whether the project aligns with the outcomes of the community's Local Development Strategy and is endorsed by the town or community's community organisation that oversees the implementation of the town's Local Development Strategy.

b. Project quality assessment

The merit of the application will be assessed against the criteria listed below.

Funding Stream 1a: The engagement of project management support

Assessment area	Assessment criteria	Weighting
Project aims	How well the skill sets required and activities to be undertaken by the project management support have been identified.	60%
	How well the proposed approach to engage project management support will assist in the implementation of the town or community's Local Development Strategy.	
Organisational capability and capacity	How well the procurement of project management support has been planned and will be managed to ensure it is delivered on time, on budget and at the agreed quality.	40%
	The appropriateness of the applicant organisation to manage the project and funds.	

Funding Stream 1b: Activities related to building business expertise and community capability

Assessment area	Assessment criteria	Weighting
Project aims	How well the application has identified the needs and requirements for building business expertise and community capability.	60%
	How well the proposed approach meets the identified needs and requirements to build business expertise and community capability.	
Organisational capability and capacity	How well the project has been planned and will be managed to ensure it is delivered on time, on budget and at the agreed quality.	40%
	The appropriateness of the applicant organisation to manage the project and funds.	

Funding Stream 2: Funding of innovation opportunities including infrastructure upgrades

Assessment area	Assessment criteria	Weighting
Project aims	How well the application aligns and will achieve the aims of the relevant business case for an innovation opportunity identified through the town or community's Local Development Strategy.	60%
Organisational capability and capacity	How well the project has been planned and will be managed to ensure it is delivered on time, on budget and at the agreed quality.	40%
	The appropriateness of the applicant organisation to manage the project and funds.	

c. Consideration of the allocation of funds

A departmental assessment committee will consider the allocation of funds between towns and communities to ensure a fair allocation of funds and so that towns and communities that are ready to submit applications before other towns or communities are not allocated all of the funds.

This consideration may result in the delay in approving some of a town or community's applications.

At each stage of the assessment process, the Department reserves the right to ask the applicant for clarification or more information to assist in the assessment of the application.

The assessment will consider application responses, other information and supporting documentation supplied in the form or as requested.

Step 4 – Due diligence assessments

Due diligence assessments are used by the Department to determine financial and other (non-financial) risks associated with the proposed project and with entering into a funding agreement with the applicant. Outcomes from such assessments may be taken into account in any decision to recommend or award a grant and in contracting with successful applicants.

Such checks may include:

- the potential for reputational risk to the State of Victoria
- the delivery performance of other grants contracted with the Victorian Government and whether the applicant has failed to meet key contractual obligations for previous grant agreements
- the Australian Business Number (ABN) registration and status
- business regulator check – this may be undertaken to verify business details provided with the Australian Business Register, Australian Securities and Investment Commission, Australian Charities and Not-for-profits Commissioner, Consumer Affairs Victoria and/or other applicable regulator
- financial risk assessment – for a grant request of more than \$50,001 where applicants are not exempt (e.g. Local Government Authorities), the Department will undertake a financial risk assessment of the applicant to assess the ability of the applicant to deliver the proposed project and its outcomes.

Step 5 – Application approval

The departmental assessment panel will make a recommendation for funding to the Minister for Agriculture.

All decisions on all matters in recommending and awarding grant funding under this Program is at the absolute discretion of the Department and Minister for Agriculture. This includes recommending or awarding a lesser amount than applied for.

Note that the State makes no representation that a grant of funds will be made to any applicant and reserves the right to make no funds available under the Community Development Fund.

7. Offer and grant agreement

Where the Minister for Agriculture approves a grant under the Community Development Fund, the Minister will write to the successful applicant with a grant agreement attached.

The grant agreement is a legally enforceable document that clearly set out the obligations of both parties.

The grant agreement aims to protect the Victorian Government's interests and to ensure the efficient and effective use of public money.

Successful applicants must agree and sign the grant agreement within 15 business days from the date the Minister for Agriculture provides them with the grant agreement, otherwise the offer will lapse.

7.1. Milestone payments

The grant agreement may contain one or more milestones that will need to be met before payments are made.

For Funding Stream 2, the grant agreement will contain requirements for the funding recipient to provide regular project status reports to the Chair of the relevant Innovation Working Group, the Project Manager for the implementation of the Local Development Strategy and the Department.

8. Monitoring, evaluation and reporting

Successful applicants will be required to participate in an evaluation which is undertaken during and/or after completion of the project for use in program evaluation reviews and Department marketing materials.

After completion of the project, applicants must submit annual evaluation reports assessing the project's success in meeting its stated objectives, outputs and outcomes. Depending on the significance of the project, these evaluation reports may be required for up to three years following completion of the funded project.

Successful applicants may be required to contribute information on project outcomes, including longer-term impacts beyond project completion, for use in program evaluation reviews and departmental marketing materials. It is the responsibility of successful applicants to put in place adequate collection arrangements to capture the appropriate data in relation to outputs and outcomes.

These arrangements will assist the Department to undertake a robust evaluation of the Fund.

The Department reports on grants and programs it administers. The reporting includes the identity of successful applicants and projects and, where applicable, deviations from or exceptions to the assessment and approvals processes set out in these guidelines.

Monitoring, evaluation and reporting requirements will be specified in the grant agreement.

9. Terms of Applying

The Department reserves the right to request the applicant to provide further information should it be deemed necessary. The Department reserves the right to amend these Guidelines and the application terms at any time as it deems appropriate.

Any changes to the Guidelines will not affect the eligibility of the applicants and applications made prior to the date of publication of any update.

The Department may at any time, remove an applicant from the application and assessment process, if in the Department's opinion, association with the applicant may bring the Department, a Minister or the State of Victoria in disrepute.

10. Privacy

Any personal information about the applicant or a third party in the application will be collected by the Department for the purpose of grant administration. This information may be provided to other Victorian Government agencies for the purposes of assessing applications.

If personal information about third parties is included in the application, the applicant must ensure that those third parties are aware of the contents of this privacy statement and the contents of the Department of Jobs, Precincts and Regions Privacy Policy available from the Privacy Officer (details below).

Any personal information about the applicant or a third party in correspondence will be collected, held, managed, used, disclosed or transferred in accordance with the provisions of the *Privacy and Data Protection Act 2014* (Vic), *Health Records Act 2001* (Vic) and other applicable laws.

The Victorian Government may choose to publish general information about the outcomes of the Community Development Fund.

The Department is committed to protecting the privacy of personal information. The Department's privacy policy is available from:

Privacy Officer

Department of Jobs, Precincts and Regions,
GPO Box 2392, Melbourne, VIC 3001, AUS

Email: privacy@ecodev.vic.gov.au

Enquiries about access to information about you held by the Department should be directed to:

Freedom of Information Manager

Department of Jobs, Precincts and Regions,
GPO Box 2392, Melbourne, VIC 3001, AUS

Email: foi@ecodev.vic.gov.au

11. Step by step application and grant process guide

1. Read the Program Guidelines to establish eligibility

2. Discuss the proposed project with your Victorian Forestry Plan Community Transition Support Officer

3. Submit application via link on the djpr.vic.gov.au/forestry/grants

4. Applicant will receive a letter confirming the outcome of the application (successful/unsuccessful)

5. The Minister for Agriculture issues a grant agreement outlining the scope of the project, milestone, and activity deliverable dates, valid for 15 days

6. Project commences

7. Payments are made on evidence of the project milestones being met and completed

8. Post Completion Evaluation Report

12. Further support

Further information

Applicants requiring further information about the Victorian Forestry Plan should contact their local Victorian Forestry Plan Community Transition Support Officer for further details.

P: 1800 318 182

E: victorianforestryplan@djpr.vic.gov.au

W: djpr.vic.gov.au/forestry/grants

The Guidelines will also be made available at the following website: vic.gov.au/forestry.

Authorised by the Department
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Email victorianforestryplan@djpr.vic.gov.au

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vic.gov.au/forestry

