



Regional Job Creation Fund

PROGRAM GUIDELINES

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MESSAGE FROM THE DEPUTY PREMIER



Home to thriving agribusiness, energy and resources industries and strong manufacturing, tourism and service sectors, regional NSW is a key driver of our state's economic strength and future prosperity.

Regional NSW has all the key ingredients for businesses to thrive, including competitive operating costs, a ready supply of skilled labour, world-class infrastructure and education, access to abundant renewable energy resources, excellent digital connectivity and low sovereign risk.

It also has direct road and rail access to major domestic markets and highly efficient transport linkages to some of the world's fastest growing markets across Asia and beyond.

Regional NSW also has an abundance of vibrant and welcoming cities, towns and villages offering residents the rewarding lifestyle, and sense of wellbeing and community, that only comes with country living.

To support existing regional businesses to grow and encourage interstate and international businesses to invest in our regions, the NSW Government is proud to launch the \$100 million Regional Job Creation Fund.

The Fund will support existing regional businesses to grow and encourage investment from those further afield through providing grants of up to \$10 million to activate or bring forward regional projects in 'engine', enabling or emerging engine industries. Supporting business growth in driver industries will continue to deliver on the objectives of the 20-Year Economic Vision for Regional NSW.

The Regional Job Creation Fund is part of a suite of NSW Government initiatives and programs designed to foster economic growth and promote investment in regional areas. These include:

- a \$1 billion investment from the Snowy Hydro Legacy Fund to establish five Special Activation Precincts strategically located across regional NSW focusing on critical growth industries such as advanced manufacturing, freight and logistics, agribusiness, circular economy and tourism

- \$100 million from the Gig State program to help deliver internet accessibility and speeds on par with metropolitan services to better enable regional businesses to connect with supply chains and customers around the world
- investment in critical projects needed to support job creation and economic growth in regional NSW via the \$500 million Growing Local Economies Fund, part of the NSW Government's \$1.7 billion Regional Growth Fund
- support for businesses to set up in or relocate to regional NSW via \$10,000 payments per eligible worker to help meet the cost of moving skilled workers from the city to the coast or country as part of the Regional Investment Attraction Package.

I encourage business owners currently trading or looking to set up in regional NSW to consider how the Regional Job Creation Fund can help your business expand and strengthen the economy of regional NSW.

The Department of Regional NSW is a central agency for regional issues, focused on putting the needs of regional communities, industries and businesses first. Its staff are based across every region in NSW and are on hand to answer questions and help business owners and investors prepare their applications.

A handwritten signature in black ink, appearing to read 'John Barilaro'.

The Hon. John Barilaro MP

Deputy Premier, Minister for Regional NSW, Industry and Trade



OVERVIEW

The NSW Government's *20-Year Economic Vision for Regional NSW* sets out a clear pathway for regional NSW to continue growing while supporting people's decision to live, work and invest in regional areas.

While the impacts of drought, bushfires, floods and COVID-19 have caused shock and uncertainty, this disruption also presents significant opportunities for regional businesses and communities to adapt, consolidate their advantages and prosper in the future. NSW needs to plan for the long term and give regional businesses the incentives they need to seize these opportunities.

The \$100 million Regional Job Creation Fund will help businesses in engine industries to withstand the impact of these shocks by co-funding projects that initiate or accelerate investment, create jobs and support economic recovery and resilience in regional NSW.

OBJECTIVE

The objective of the Regional Job Creation Fund is to support economic recovery and resilience by activating, bringing forward or attracting investment in regional NSW by co-funding business projects that create at least five new jobs.

TARGETS

The Regional Job Creation Fund will target the creation of at least 5,000 new direct jobs (full-time equivalent) in regional NSW over a three-year period.



ELIGIBILITY CRITERIA

Eligible applicants

- To be eligible for funding, applicants must be a business or co-operative:
 - operating in an 'engine' industry, enabling industry or emerging engine industry as described in the relevant [Regional Economic Development Strategy](#), or
 - aligned with government strategies including the *20-Year Economic Vision for Regional NSW*.
- Applicants can be based internationally, interstate or in either metropolitan or regional NSW.

Applicants must:

- have an Australian Business Number (ABN) and be one of the following:
 - a company incorporated in Australia
 - a company incorporated by guarantee
 - an incorporated trustee on behalf of a trust
 - an incorporated association or co-operative
 - a partnership
 - a sole trader
 - an Aboriginal and/or Torres Strait Islander Corporation registered under the Corporations (Aboriginal and /or Torres Strait Islander) Act 2006.
- be registered for GST
- have the demonstrated skills and capacity to deliver the project
- be financially viable and able to demonstrate that they are likely to remain so over the duration of the project
- have at least \$20 million public liability insurance.

KEY DATES AND TIMELINES

Applications close	When program funding has been fully allocated or at 5pm on Friday 14 May 2021, whichever occurs first.
Assessment and approval timelines	Preliminary stage: 7 working days from the date of submission.
	Detailed applications: 12 weeks from the date of complete submission.
Notification / project announcement	Confidential notification will occur as soon as possible after a grant is approved.
	Public announcement by the NSW Government may occur at any time after a grant is approved.

The application close date may be extended at the discretion of the Department of Regional NSW.

Organisations that are not one of the entities identified above but meet all other criteria of the program may also be considered. Applicants can submit a joint application, but a lead applicant will need to be nominated. If the application is successful, the lead applicant will enter into the funding deed and be ultimately responsible for the project.

International businesses will need an ABN, be registered for GST, have at least \$20 million in public liability insurance and be an eligible entity type to enter into a funding deed if they are successful.

Ineligible applicants include:

- Australian or NSW Government agencies, State Owned Corporations or statutory authorities
- Local Government Authorities or their Section 355 Committees
- organisations that do not have an ABN
- unincorporated associations
- businesses that are insolvent.

The Department of Regional NSW, at its sole discretion, can take other factors into account that may make a business ineligible for funding such as any person or business activity that could cause reputational or other risk to the NSW Government.

Competitive Neutrality

The provision of financial assistance to businesses may require consideration of the impact on local competition. Competition issues will be reviewed as part of the assessment process to avoid advantaging or disadvantaging businesses legitimately competing in the same immediate market. Businesses whose primary operation is in the below industries will not be eligible for assistance under this program:

- accommodation, except where a proposal is unique to the existing market
- retail
- localised trades
- administrative services.



Eligible projects

Projects must:

- be based in regional NSW. Projects based in Greater Sydney, Newcastle or Wollongong Local Government Areas are **not** eligible
- create employment outcomes in regional NSW that are sustainable without additional NSW Government investment beyond the agreed grant
- demonstrate the project would not occur in regional NSW at all or in the same timeframe without government investment
- align with existing NSW Government policies and strategies, including the *20-Year Economic Vision for Regional NSW* and the relevant [Regional Economic Development Strategy](#). The project must not contradict or inhibit any other identified NSW Government policies, priorities, strategies or projects
- have a minimum cash co-contribution of 50 per cent of the total project cost. Co-contributions of less than 50 per cent or that include in-kind contributions may be considered in extenuating circumstances
- be able to be completed by June 2022. Employment outcomes may be achieved over a three-year period from signing of the funding deed but must be in place for at least six continuous months before the three-year period ends.

Examples of eligible projects include:

- replacement, upgrade or adaptation of existing plant and equipment including technology or energy efficiency upgrades
- establishment of an additional production line for an existing regional NSW business
- onshoring of activity currently done overseas in a regional NSW location
- development of new tourism experiences and visitor attractions creating new demand in the region
- relocating a business operation from out-of-state or internationally to regional NSW.

Ineligible projects include:

- projects funding the day-to-day operations of business or focusing primarily on marketing and promotion
- projects requiring ongoing funding from the NSW Government
- projects not aligned to the objective of the Regional Job Creation Fund
- projects that would proceed and be delivered on the same timeline without government financial assistance
- projects that have already received NSW Government or other funding for the same outputs and outcomes.

Eligible grant amounts

The minimum grant amount per application is \$100,000. The maximum grant amount per application is \$10,000,000. All grants are GST exclusive.

Each application requires a cash co-contribution of 50 per cent of the total project cost. Co-contributions of less than 50 per cent or that include in-kind contributions may be considered in extenuating circumstances.

Eligible costs

Grants may be used for:

- capital and other expenses directly related to the delivery of eligible projects, including:
 - purchase of plant and equipment that needs additional workers to operate
 - expanding built infrastructure to enable job creation activities.

Ineligible grants costs include:

- repayment of existing debts or budget deficits
- administrative, operational and maintenance costs not related to the subject project
- ongoing staff wages and salaries
- costs already funded by insurance or other NSW or Australian Government programs
- costs that require recurrent or ongoing funding from the NSW Government.

ASSESSMENT CRITERIA

Projects must satisfy the below criteria to be considered for funding:

Criteria	Description
Strategic alignment	The project aligns to the relevant Regional Economic Development Strategy and/or other relevant NSW Government policy or strategy, such as the <i>20-Year Economic Vision for Regional NSW</i> .
Job creation	The project creates at least 5 new jobs (FTE). The NSW Government contribution will be no more than \$20,000 per job created through the project.
Expected return on government investment	Determined through a Cost-Benefit Analysis conducted by the Department of Regional NSW based on the information provided by the applicant. Projects must achieve a Benefit-to-Cost Ratio greater than 1.0.
Deliverability	The applicant can demonstrate the project is deliverable by June 2022. Considerations include: <ul style="list-style-type: none"> the applicant's past performance in delivering similar projects the suitability of the staff or arrangements to deliver the project the suitability of the detailed business plan, technical plans and/or cost estimates supporting the project.
Affordability	The applicant and other non-NSW Government co-contributions to the project are at least 50 per cent of the total project cost (unless there are exceptional circumstances).
Other considerations	All relevant factors and risks as determined by the Assessment Panel. Can include how the project contributes to NSW Government priorities, such as its location in a Special Activation Precinct, local and regional procurement and/or significant increases to employment and training opportunities for young people or Aboriginal communities.

Projects that do not satisfy all the above criteria but are aligned with the overall objective of the program may still be considered if the project is assessed as having strong strategic merit or local importance.

A project with strategic merit or local importance must meet at least one of the below criteria:

- A disruptor with potential long-term benefits to the NSW economy, for example it will improve the competitive position of NSW.
- Demonstrates innovation, including the creation of a new market or improved product in an existing market.
- Contains supporting evidence showing the benefit to NSW cannot be quantified but is believed to exist. In this instance, a break-even analysis may be undertaken by the Department of Regional NSW.
- There is evidence the project is of heightened importance to a local community or local economy. For example, it will create jobs in areas with high unemployment, low alternative job prospects, impacted by border closures due to COVID-19, complex social issues, geographic isolation, significant industry downturn or more concentrated impacts from natural disasters.
- There is strong evidence that the project may retain local jobs if a business is legitimately proposing to relocate and/or expand its operations in another jurisdiction (i.e. the project is footloose) without NSW Government funding support.

Projects with a BCR <1.0 will only be considered for funding by exception.



APPLICATION PROCESS

The application process has two stages: preliminary application and detailed application.

Stage 1: Preliminary application

Preliminary applications must include:

- the organisation details including ABN or other identifier and primary activities
- a short description of the project scope
- estimated grant request
- estimated total cost of the project
- an estimate of the number of new full-time equivalent jobs created by the project
- a short description of the project's expected benefits
- the expected location of the project.

Preliminary applications must be submitted online at investregionalsw.com/RJCFund

Stage 2: Detailed application stage

If invited to submit a detailed application, the applicant will be allocated a Department of Regional NSW Business Development Manager to assist in the preparation of applications and supporting documents.

Detailed applications must include:

- financial statements (trading, profit and loss statements and balance sheets) for three continuous years starting from the latest available year or other evidence of financial viability if statements are not available, for example a signed statement from an external accountant
- evidence the project aligns with the relevant [Regional Economic Development Strategy](#) and/or other relevant NSW policies and strategies including the *20-Year Economic Vision for Regional NSW*

- evidence of experience delivering projects similar in scope and scale to the project or otherwise demonstrates capability and capacity to deliver the project
- a detailed project scope identifying all elements of the project
- a completed data sheet (template provided) for the project, including a cash flow budget, underlying assumptions for the project's lifecycle, and information on how many jobs and other quantifiable benefits the project will create over the first three years (at a minimum)
- how the project will contribute to youth or Aboriginal employment and training outcomes or local or regional supply chains and how these will be measured
- other expected benefits of the project and how these will be measured
- a feasibility study and/or project plan for the project, including any supporting quotes or technical documents
- confirmation of the co-contribution to the project, including from the applicant and other sources
- evidence of at least \$20 million in public liability insurance
- a probity declaration form.

A full business case must be completed for projects requesting \$5 million or more in grant funding.



ASSESSMENT PROCESS

The assessment of applications and projects will be led by the Department of Regional NSW.

Assessment of preliminary applications

The Department of Regional NSW will assess preliminary applications against the eligibility and assessment criteria set out in these guidelines.

Assessment of detailed applications

The Department of Regional NSW will assess detailed applications against the eligibility criteria set out in these guidelines.

Where there is uncertainty or unintended outcomes arising from the eligibility requirements, a practical approach will be taken to resolve these issues. Final eligibility determinations will be made at the discretion of the Assessment Panel, with advice and recommendations from the Department of Regional NSW.

The Department of Regional NSW will assess all projects deemed eligible against the assessment criteria set out in these guidelines. A cost-benefit analysis will be undertaken for all eligible projects.

During the assessment process, the Department of Regional NSW may ask applicants to provide additional information to assist in the assessment process. Advice may be sought from other NSW Government agencies or other sources to assist in the assessment of projects.

An Assessment Panel will be convened regularly to assess submitted projects. The Assessment Panel will consist of:

- representatives from the Department of Regional NSW Public Works Advisory and Regional Development Group (including the Assessment Panel chairperson)
- a representative from Investment NSW
- a representative from Training Services NSW.

An independent probity advisor will be present during the Assessment Panel.

Industry experts, either internal or external to the NSW Government, may advise the Assessment Panel during the assessment.

The Assessment Panel will consider the individual merits of each project against the assessment criteria. Broader factors that may be considered when assessing the overall package of projects suitable for funding in a target industry include:

- amount of funding available
- suitability of projects for other government funding opportunities
- market failure, market barriers and the role of government
- importance of the project to the industry sector or local economy
- geographical spread of projects across regional NSW
- other factors deemed relevant and important in a local or whole of NSW context.

Decision-making

The Assessment Panel may recommend part-funding of projects if there is insufficient funding available for the whole project or where only a component of the project is considered suitable/eligible.

The Assessment Panel will provide advice to the NSW Government on the suitability of each project for funding.

The NSW Government will approve the projects and funding amounts.

All projects may be referred to other NSW or Australian Government funding programs for consideration.

ASSESSMENT TARGET TIMELINES

Stage	Target Time to complete
Stage 1 – Preliminary application assessment	7 business days
Stage 2 – Detailed application Assessment	8 weeks from submission of a completed application with all required information provided
NSW Government decision	4 weeks from a completed assessment at the NSW Government's discretion

PROBITY ADVICE

Independent probity advisers will provide guidance to the Department of Regional NSW on any issues concerning integrity, fairness and accountability that may arise throughout the application, assessment and decision-making process. This will ensure decisions are made with integrity, fairness and accountability, while delivering value for money for NSW.



SUCCESSFUL APPLICANTS

Notification

Successful applicants will be notified via email and/or letter. Applicants may be requested to keep the grant confidential for a period of time if an announcement is likely to be made by the NSW Government.

Funding deed

Successful applicants will be required to enter into a funding deed with the NSW Government.

The NSW Government makes no binding funding commitment to an applicant unless and until both parties sign a funding deed.

The funding deed will require the successful applicant to provide a copy of all relevant insurances and other supporting documentation relevant to the project or as requested by the Department of Regional NSW.

Grants will be paid via milestone payments set out in the funding deed. Timing and requirements will vary depending on the scope and timelines of the project.

Successful applicants will be required to submit project progress reports to the NSW Government as outlined in the funding deed. Examples of measures to be included in the report are completion of project activities and number of full-time equivalent employees hired as a result of the project.

Important terms and conditions

Applicants should note:

- the NSW Government may choose to publicly announce funding for individual applications and the expected jobs created by the funding. It may also use information provided in the grant to develop case studies
- requests for variations or changes to the project will only be considered in limited circumstances
- successful applicants will be required to pay back unspent funds or any funds not spent in accordance with the funding deed
- successful applicants will be required to participate in a program evaluation after the project has commenced. The evaluation will require applicants to provide evidence of how projects have resulted in measurable benefits consistent with the fund's objectives, focusing on employment and benefits to regional economies and communities
- all recipients of NSW Government funding should acknowledge this financial support as per the *Funding Acknowledgement Guidelines for Recipients of NSW Government Grants* available at nsw.gov.au/nsw-government-communications/branding
- payments will be GST inclusive. Grants are assessable income for taxation purposes, unless exempted by a taxation law. It is recommended applicants seek independent professional advice about taxation obligations or seek assistance from the Australian Taxation Office. The NSW Government does not provide advice on individual taxation circumstances
- the Department of Regional NSW reserves the right to undertake an audit of grant funding within seven years.

UNSUCCESSFUL APPLICANTS

Unsuccessful applicants will be notified in writing of the outcome of their application and will be offered a feedback information session. If unsuccessful, applicants may request to re-submit their application if material changes to the project have been made.

GETTING SUPPORT

Frequently Asked Questions and other resources to assist with applications are available at investregionalnsw.com/RJCFund

Department of Regional NSW staff are available to support applicants with their applications, even at the initial preliminary application stage. Email regionalnsw.business@regional.nsw.gov.au or call 1300 679 673 for assistance.

Applicants should seek advice from their legal, business and financial advisers to determine the suitability of the funding before applying.

COMPLAINTS

Any concerns about the program or individual applications should be submitted in writing to regionalnsw.business@regional.nsw.gov.au. If you do not agree with the way the Department of Regional NSW handled the issue, you may wish to contact the NSW Ombudsman via ombo.nsw.gov.au

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009 (NSW)

Applicants should be aware that information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the Government Information (Public Access) Act 2009 (NSW). Information that is deemed to be commercially sensitive will be withheld.

The Government Information (Public Access) Act 2009 (NSW) makes government information accessible to the public by:

- requiring government agencies to make certain sorts of information freely available
- encouraging government agencies to release as much other information as possible
- giving the public an enforceable right to make access applications for government information
- restricting access to information only when there is an overriding public interest against disclosure.

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The guidelines are subject to change at any time at the sole discretion of the Department.

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