

Bushfire Recovery Timber Storage Grants

**Application Guidelines
December 2020**

Background

The bushfires of summer 2019–2020 led to significant damage of softwood plantations in North-East Victoria and native forests in Eastern Victoria.

The Victorian Government has developed the Bushfire Recovery Timber Storage Grants as part of the Commonwealth Government's Salvage Storage Fund to provide funding support for timber processors that are processing bushfire affected timber. The funding will be made available to forestry entities impacted by the bushfires, the coronavirus (COVID-19) pandemic and will support the storage of unprocessed and processed wood products.

DESCRIPTION AND OBJECTIVES

The Bushfire Recovery Timber Storage Grants will assist privately owned wood processing facilities in maximising the amount of burnt timber that can be accepted by processors. The timber industry is attempting to recover as much of the burnt material before the logs deteriorate and are no longer a viable resource.

The objective of the Bushfire Recovery Timber Storage Grants is to assist businesses with the costs of burnt timber storage of unprocessed logs and processed wood products sourced from Victorian fire affected forests.

Bushfire Recovery Timber Storage Grants is a \$2.5 million fund supporting the storage of 125,000 green metric tonne of salvage timber.

The Bushfire Recovery Timber Storage Grants will support Eligible Projects (further detail below) to reduce the increased cost associated with storing additional timber above business as usual amounts, including:

- the storage of unprocessed bushfire affected timber under sprinklers
- the storage of processed wood products in a stable dry state that has been produced from bushfire affected timber.

FUNDING ASSISTANCE AND LIMITS

The grant amount available for a proposed project will be based upon the volume of bushfire affected timber that the applicant is proposing beyond their business as usual amounts.

The grant amount will consist of a rate at \$20.00 per green metric tonne (GMT) for salvaged timber that is taken in above business as usual planned deliveries from 1 January 2020 to 30 June 2021. Retrospective costs incurred for eligible projects can be included in the application. Applicants will be eligible for a grant based on the \$20.00 per GMT rate multiplied by the additional actual volume of salvage timber stored and verified.

The maximum grant that can be obtained under the Bushfire Recovery Timber Storage grants is \$500,000, that is, 25,000 GMT of additional salvaged timber.

Larger grants may be considered on a case by case basis.

Should the fund be oversubscribed, the volume of timber that successful applicants can receive a payment for may be reduced on a pro-rata basis. The pro-rata calculation will be based upon a qualitative assessment of the proposed project and how this project best delivers on the policy outcomes.

WHO CAN APPLY?

Applications for a Bushfire Recovery Timber Storage grant are invited from businesses that:

- have an existing and operational timber processing facility
- have an Australian Business Number (ABN)
- conduct business operations within Victoria
- meet all the industrial relations obligations as an employer in accordance with the National Employment Standards under the *Fair Work Act 2009 (Cth)*.

ELIGIBLE PROJECTS

Activities funded under the Bushfire Recovery Timber Storage Grants include (but are not limited to):

- costs associated with the storage facilities of burnt salvage timber (unprocessed and/ or processed)
- log, chip or sawn timber storage and warehousing facilities
- water sprinkling infrastructure
- dry storage infrastructure
- rental and leasing costs
- machine equipment and hire
- costs for new or leased warehousing capacity for sawn timbers
- capital and other costs for stockpiling of woodchip
- infrastructure and equipment required for wet log storage
- additional costs for water including additional licences, and appropriate water management strategies need to be applied to ensure water is not wasted
- requests for retrospective funding, where projects have commenced (i.e. equipment purchased, contracts entered into or construction has begun) or have been completed prior to receiving funding approval

to increase the storage capacity for salvage timber.

The following activities would generally not be considered for a Bushfire Recovery Timber Storage grant:

- event sponsorship
- projects requiring ongoing funding from the Victorian Government
- ongoing operating costs or salary subsidies
- costs to meet regulatory requirements
- purchase of vehicles
- purchase of property
- telecommunication service improvements and access road upgrades
- costs covered or claimed by insurance.

FUND TIMELINE

The round will open on 2 December 2020 and close on the 16 December 2020 (two weeks). Successful applicants will be advised in early 2021. The grant amounts for funded projects will be paid up to 15 May 2021. No further funding will be available after this date. Applicants must ensure that they will be able to commence the project prior to this date.

Duration of the funded project

A successful applicant must have executed all contracts (including with subcontractors) for the delivery of Bushfire Recovery Timber Storage Grants projects by 30 April 2021.

The commitment above will be a legally binding obligation under the grant agreement.

Condition of applying

These guidelines and any discussions you may have with a representative of the Department of Jobs, Precincts and Regions (department) are for information only and do not constitute advice.

Applicants should seek independent advice before making an application or entering into a grant agreement.

Applications are at the cost of the applicant.

The department 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 Bushfire Recovery Timber Storage Grants.

Application and Assessment Process

APPLICATION OPENING AND CLOSING DATES

Applications for the Bushfire Recovery Timber Storage Grants will open 2 December 2020 and will close on 16 December 2020. Applications may be submitted at any time between the opening and closing dates. Applications submitted outside of these dates will not be considered.

APPLICATION PROCESS

To ensure the suitability of projects, all applicants will need to undertake the following process.

Step 1: Prior to application

Prior to submitting an application form, applicants are advised to:

- Read these guidelines to establish eligibility
- If required, contact your local Victorian Forestry Plan representative on P: 1800 318 182 or E: victorianforestryplan@djpr.vic.gov.au for further information.

Step 2: Prepare an application

- Complete an application form including an outline of the proposed project, including indicative budget, storage volume to be created and timeline
- Evidence of business as usual volumes from the 1 January 2020 to the 30 June 2021 and additional volumes of salvage timber throughput during this time period
- Outline how the proposed project will support current operations, maintain or grow employment
- The application form and instructions can be found at rdv.vic.gov.au/timber-storage-grants

Step 3: Assessment process

All eligible applications will be assessed by an evaluation panel who will make recommendations to the Minister for Agriculture and any other relevant ministers for final consideration.

The department evaluation panel will review the applications against the following criteria (see next page).

ASSESSMENT CRITERIA

ASSESSMENT CRITERIA	WEIGHTING
<p>1. Project Quality</p> <p>Assessed on:</p> <ul style="list-style-type: none"> the quality of the proposed project to support storage of salvage timber and the recovery of timber. <p>Threshold requirements</p> <ul style="list-style-type: none"> the project is reasonably well outlined, scoped and shows how it will support the business process additional salvage timber above the business as usual quantities. 	40%
<p>2. Project Impact</p> <p>Assessed on:</p> <ul style="list-style-type: none"> the volume of additional salvaged timber indicated in the application time period the salvage timber will be maintained in storage the extent to which the proposed project has the potential to maintain or create jobs due to bringing forward salvage timber processing. <p>Threshold requirements</p> <ul style="list-style-type: none"> the applicant has identified the storage requirements and employment outcomes for the business. 	30%
<p>3. Organisational Capability and Capacity</p> <p>Assessed on:</p> <ul style="list-style-type: none"> the extent to which the business has the required resources and skills to manage and implement the project, including a budget. <p>Threshold requirements</p> <ul style="list-style-type: none"> the application includes a reasonable implementation plan outlining the key project people, budget and other resources required and has identified a timeline. 	30%

Step 4: Due diligence

A financial risk assessment will be required for grants greater than \$50,000. Applicants will be required to submit their Australian Taxation Office compliance reports (balance sheet and profit & loss statements) for the past three years.

Where the latest financial report is more than six months old, up-to-date management or interim accounts (profit & loss and balance sheet) will be requested.

Step 5: Funding agreement

Approval

An applicant should expect to learn the outcome of their application for a Bushfire Recovery Timber Storage Grants in early 2021.

All applicants will receive a letter confirming the outcome of the application. Feedback will be provided to the unsuccessful applicants by the department.

Compliance and Governance

INFORMATION ONLY

The department reserves the right to make changes to these guidelines as required. 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.

PROJECT COSTING TREATMENT OF GST

Applicants should note that all project costs included in the application must be exclusive of GST.

Applicants must have an Australian Business Number (ABN) and be registered for GST or provide written advice from the Australian Taxation Office that no withholding tax is required to be withheld from the grant payment.

CONDITIONS OF FUNDING

Successful applicants will be issued with a letter of offer that remains valid for 30 days.

The applicant accepts the letter of offer which is a non-binding legal agreement until the execution of the formal grant agreement between both parties. The grant agreement will be provided by the department and will set out the terms and conditions upon which the government provides the grant.

Grant agreements are legally enforceable documents that clearly set out the obligations of both parties. The grant agreement aims to protect the Victorian Government's interests and ensure the efficient and effective use of public money.

It also ensures there is appropriate recognition of Victorian Government support in project-related publications, media releases and promotional material.

Grant agreements can be signed by an authorised person to bind the organisation and will:

- describe the purpose for which the funding must be used
- set out any requirements or conditions that must be met prior to the payment of a grant instalment
- outline agreed milestones and project outcomes that must be achieved before payment of a grant instalment.

Further information regarding the finalisation of plans, quotes and budgets maybe requested.

Once the grant agreement has been signed, the applicant will be required to actively manage and deliver the project and provide accurate progress reports to the department. During a project, the department may conduct site visits as necessary.

Successful applicants must execute a grant agreement and commence the project within two months from the date of the funding offer.

If a project does not commence within this timeframe the grant will be reviewed by the department.

Details of the project will remain confidential until the project is formally announced by the Victorian Government.

Monitoring, evaluation and reporting

Successful applicants will be required to cooperate with an evaluation which is undertaken during and/or after completion of the project.

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.

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

Acknowledgement

Successful applicants must liaise with the department to coordinate any events or announcements related to the activity. Successful applicants may be required to contribute information on activity outcomes for the state to use in communications materials.

Further support

A representative of the department will be available to provide additional support to applicants particularly to identify specific requirements and broader opportunities for each participant business.

Applicants requiring further information should contact a Victorian Forestry Plan representative on P: 1800 318 182 or E: victorianforestryplan@djpr.vic.gov.au for further details.

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 Department of Jobs, Precincts and Regions 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
E: privacy@ecodev.vic.gov.au

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

Freedom of Information Manager

Department of Jobs, Precincts and Regions
GPO Box 2392
Melbourne, VIC 3001, AUS
E: foi@ecodev.vic.gov.au

Step-by Step Application Guide

Read the Program Guidelines to establish eligibility

If required, contact your Victorian Forestry Plan representative to discuss the program

Complete an online [Application form](#)

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

Successful applicants will receive a letter of offer, valid for 30 days

The department issues a grant agreement outlining the scope of the project, milestone and activity deliverable dates

Project implementation

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

Post Completion Evaluation Report

Authorised by the Department of
Jobs, Precincts and Regions
1 Spring Street Melbourne Victoria 3000
Telephone: 1800 318 182
Email: victorianforestryplan@djpr.vic.gov.au

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W: djpr.vic.gov.au/forestry

