



Guidelines for Funding Applications

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1. Local Government Research & Development Scheme Guidelines

What is the Local Government Research and Development Scheme?

The Local Government Research & Development Scheme (the Scheme) was created by an amendment to the *Local Government Finance Authority Act 1983* (LGFA Act) as a result of an agreement between the South Australian Government, the Local Government Association of South Australia (LGA) and the LGFA on the application of National Competition Policy in the Local Government sector in South Australia.

Payments are made into the Scheme, from two sources. The majority of the Scheme's revenue is based on the equivalent of what would otherwise be Commonwealth taxation on the annual profits of the LGFA. The payments vary depending on the profits made on LGFA operations.

A secondary source of revenue from the Scheme (only since 2016) is a proportion of royalties paid by Councils to the State Government, on the tonnage of extractive minerals recovered from private land under section 294 of the *Local Government Act 1999*.

Governance of the Scheme

The Scheme is operated pursuant to a Memorandum of Understanding (MOU) between the LGA and the Minister for Finance, being the Minister who has responsibility for the LGFA Act.

The MOU (as amended from time to time), is published on the LGA's website at http://www.lga.sa.gov.au/Apply_LGRD_Scheme

The MOU includes the '**Principles of the Scheme**' agreed between the Minister and the LGA:

- that in complying with the statutory requirements the Scheme funds should be applied for "local government development purposes" and the money should be used strategically for the benefit of Local Government as a whole; and
- that the disbursement of the funds should not result in any unfair competitive advantage to the LGFA.

The MOU also refers to the '**Purposes of the Scheme**' that are also agreed between the Minister and the LGA. These Purposes are:

1. Grants or services to help Councils access electronic information and other strategic development of Local Government Information services
2. Grants or services to help Councils with performance assessment, measurement and benchmarking, and with performance improvement
3. Development or provision of services, training, handbooks, guides or codes related to the administration of legislation under which Councils operate
4. Grants or services to help Councils promote understanding of the role, purposes and functions of Local Government, including development of materials for schools
5. Grants for Local Government research and development projects:

- a) in priority areas for research and development specifically identified on an annual basis following consultation by the LGA with Councils, or
 - b) concerning innovation in Local Government administration or services.
6. Agreed programs for consultation throughout the Local Government sphere on projected legislative changes affecting Local Government
 7. Grants, research, information or services to help Councils with the introduction and implementation of reforms to service delivery, within Local Government and between State and Local Government
 8. Funding of proposals by regional local government organisations to strengthen their ability to provide services to their members and communities and to engage effectively in intergovernmental discussions and negotiations. "Regional local government organisations" includes both rural and metropolitan regional groupings as possible beneficiaries for funding of initiatives with potential sector wide benefit.
 9. Payments for which Local Government, through the LGA, is liable under legislative provisions requiring the LGA to pay or contribute to the costs of specified statutory activities undertaken for Local Government purposes
 10. Grants or services to assist Councils with planning for the development/maintenance of infrastructure and undertaking asset management planning.

The Purposes of the Scheme are reviewed annually, by the Local Government Research and Development Advisory Committee (the Advisory Committee).

All funding applications will be assessed against:

- The principles of the Scheme (see above);
- The purposes of the Scheme (see above); and
- The Scheme's *Annual Business Plan* which is published on the LGA's website: http://www.lga.sa.gov.au/Apply_LGRD_Scheme

All proponents are required to collaborate with the LGA on project applications to ensure that other activities currently being undertaken in the topic area are complementary.

Management of the Scheme

Management of the Fund is undertaken by the Advisory Committee under the umbrella of the Local Government Association of SA.

Membership of the Advisory Committee includes three representatives of the LGA Board, two Local Government CEOs, a nominee of the Minister for Finance, one representative from SA's three Universities, one representative from the two main Local Government Unions and the LGA CEO.

Who can apply for Funding?

Applications are invited from:

- Local Government Councils

- Regional Local Government Associations
- Education institutions and Universities and employees of same
- Local Government professional bodies
- Unions
- State and Federal Government Agencies
- Local Government Association of SA
- Local Government Association Enterprises
- Any other organisation interested in collaborating with Local Government.

What is the maximum grant available?

There is no fixed maximum or minimum for any project proposal. However, the average sums sought and granted tend to be in the range \$10,000 to \$30,000. Proponents who seek higher amounts are advised that they face a proportionally greater burden to make the case for their proposed projects.

Acknowledgement of Funding

Acknowledgement of funding from the Local Government Research and Development Scheme must be provided on all promotional materials, final reports etc.

Intellectual Property

The LGR&DS is required (under the agreed 'Principles of the Scheme') to ensure that its grants strategically benefit Local Government as a whole, and accordingly the LGR&DS will, wherever possible, seek to obtain rights of use (but not ownership) of intellectual property arising from projects funded for the benefit of local government.

What rights the LGR&DS seeks in respect to any particular project will depend on whether:

- LGR&DS funds constitute the sole (or only part) funding source for the project; and
- use for commercial reward of the relevant intellectual property is contemplated by the recipient of the LGR&DS funding.

Where the LGR&DS funds constitute the sole funding source for the Project

It will be a term of the funding grant that the recipient of the grant agrees that all Intellectual Property (IP) developed by, or on behalf of, the recipient during, or for purposes of, the Project will be owned by the recipient subject to:

- (i) the recipient using (including sub-licensing others to use) the Project IP for purposes of, or for the advancement of the interests of, South Australian Local Governments and their constituents (which use shall exclude use for commercial reward)
- (ii) the Local Government Association of South Australia (LGASA) having a royalty free, irrevocable, perpetual, non-exclusive licence to use the Project IP for the purposes of the LGASA or for the purposes of the advancement

of the interests of South Australian Local Governments and their constituents (including sub-licensing others to use that Project IP solely for that purpose)

and the recipient doing all things necessary to:

- (iii) vest ownership of all Project IP in the recipient as required by (i) and (ii) above; and
- (iv) enable the LGASA to exercise the rights as conferred under (i) and (ii) above.

Where the LGR&DS funds are augmented with funds from other funding bodies

It will be a term of the funding grant that the recipient consents in writing, and obtains the prior acknowledgement and consent in writing from all other funding bodies, that in consideration of the funding contribution from LGR&DS to the Project, each agrees that:

- (i) all intellectual property developed during, or for the purposes of, the Project will be subject to the grant of a royalty free, irrevocable, perpetual, non-exclusive licence for the LGASA to use the Project IP for the purposes of the LGASA or for the purposes of the advancement of the interests of South Australian Local Government Councils and their constituents (including sub-licensing others to use that Project IP solely for that purpose)
- (ii) the recipient and each of those bodies will do all things necessary to enable the LGASA to exercise the rights conferred under (i) above; and
- (iii) the Project IP will not be used for commercial reward except on terms to be approved in writing by the LGASA (which terms may include payment).

Where use for commercial reward of the relevant Intellectual Property is contemplated by the recipient of the LGR&DS funding

It will be a term of the funding grant that any use of the Intellectual Property (IP) developed during, or for the purposes of, the Project for commercial reward, will be subject to the consent in writing of the LGASA, and on terms (which may include payment) to be approved by the LGASA on a case by case basis.

GST

GST will apply on projects funded by the Scheme:

Applicants will be requested to **cost projects exclusive of GST** (i.e. do not include GST in the project costing). However, when a project is approved, the amount paid by the LGR&DS will be grossed-up to include GST. For example, a \$18,000 project will attract \$1,800 GST bringing the total of the grant to \$19,800.

An invoice (which must comply with the specifications for a tax invoice) will need to be raised **by the recipient** for the total amount of the grant, including the GST. In the example above this would be \$19,800. This tax invoice must be provided before the grant is paid.

The LGASA (**not the recipient**) will then claim the \$1,800 input tax credit from the ATO.

The recipient will remit the \$1,800 GST to the ATO.

Reporting Requirements

At the completion of the project the recipient is to provide the Scheme with:

- a detailed final statement of expenditure and income verified by a senior officer of the organisation (usually the CEO or CFO). On those occasions where the project is a joint venture involving two or more organisations, a senior officer is to be appointed as the officer responsible for verification of the financial statement.
- a formal evaluation report including performance measurement and statement of outcomes. The evaluation report must demonstrate the value of project outcomes/output to Councils in accordance with the performance measures outlined in the project proposal.
- a written summary of up to 2 pages promoting the outcomes of the project to all Councils. This final summary report should detail how the project was undertaken, what was achieved, what outputs were produced, and how these were disseminated to Councils
- an electronic copy of the final publication(s) of the project eg manuals, reports, issues papers etc. These publications will be made available to all Councils on the LGASA web site.

For projects which exceed six (6) months, six-monthly progress reports are to be submitted via <https://lgasa.smartygrants.com.au/> These progress reports will also be published on the LGASA web site. Project proponents will receive emailed reminders when progress reports are due.

It is also a condition of each grant that a project must commence within a three-month period from the approval date. If a project cannot commence within three months, the recipient must advise the Executive Officer of reasons for the delay. An extended delay may lead to cancellation of the approval, i.e. the recipient may be advised that the project is to be discontinued. If this occurs, any moneys paid must be returned to the Scheme.

Final reports/documents must be provided digitally.

Surplus Funds

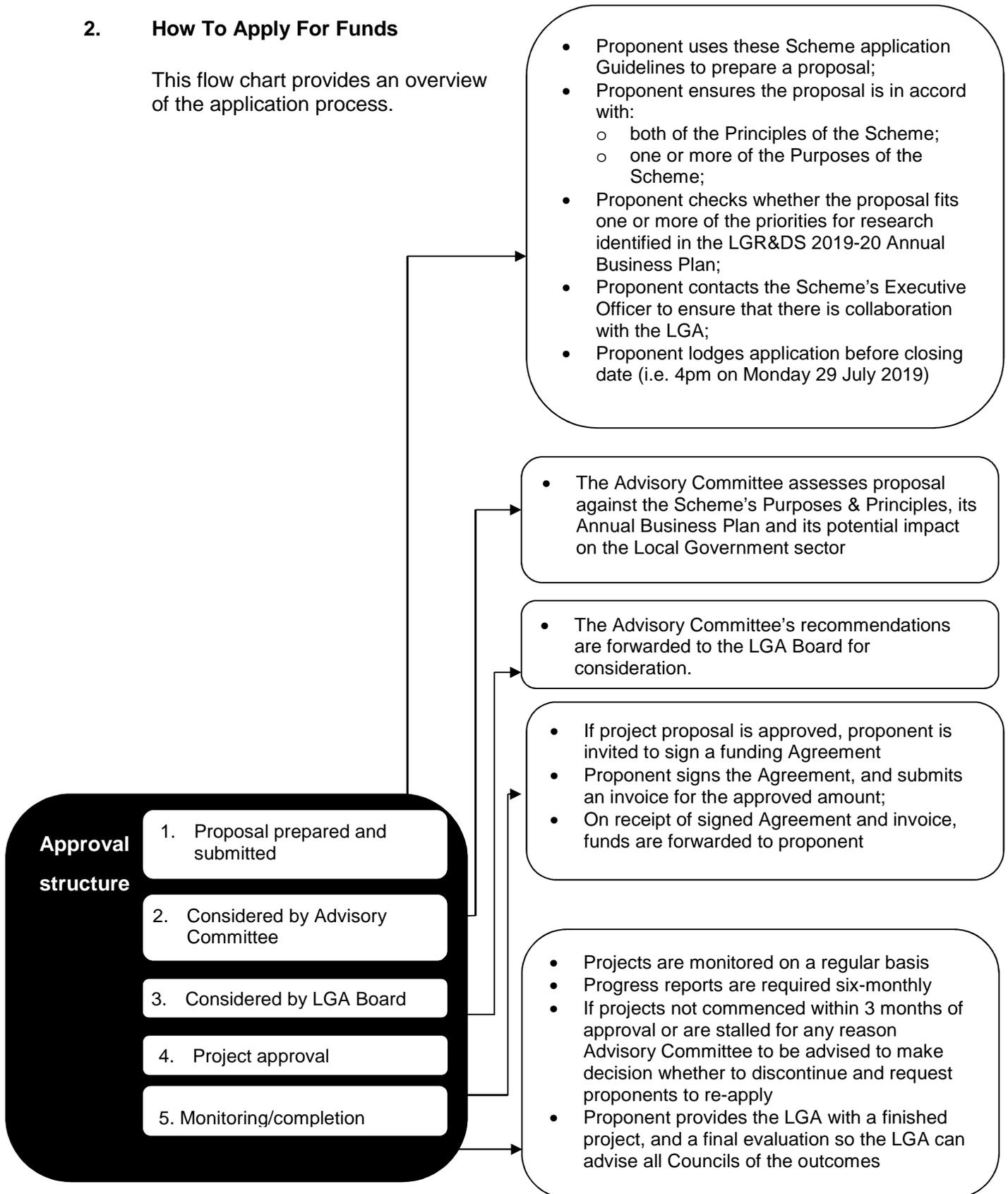
Any amount provided by the Scheme that has not been expended on the purposes for which it was provided shall be identified in the final statement of income and expenditure. The LGASA will issue an invoice to recover any such surplus from the recipient.

Letter of Agreement

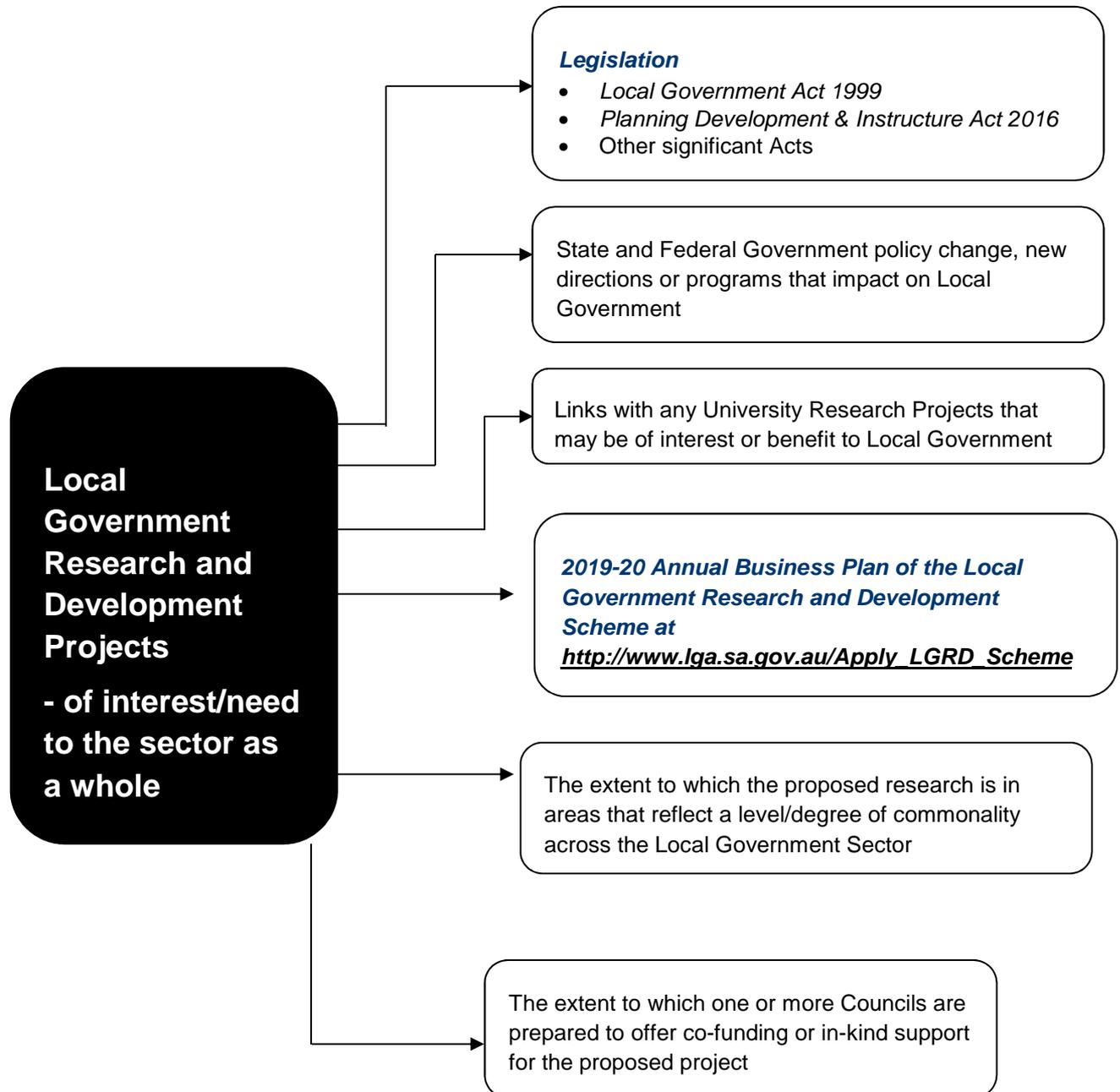
Successful applicants will be asked to sign an Agreement which will set out all the conditions associated with the funding approval including the requirement for an evaluation of the project.

2. How To Apply For Funds

This flow chart provides an overview of the application process.



3. Factors That Will Influence The Approval Of Projects



4. Common Reasons for Non-Approval of Funding Proposals

Some common reasons why applications fail include that the proposal:

- was not of sufficient interest or need to the sector as a whole;
- did not demonstrate an up-to-date understanding of all facets of the issue from a Local Government perspective;
- was not consistent with any of the Purposes of the Scheme;
- did not demonstrate a firm commitment from other funding bodies (if any joint funding was proposed);
- sought a share of available funding disproportionately high compared to the benefits that would accrue from the research, in comparison to other potential projects that would necessarily have been excluded if the large amount were to be granted;
- focussed on theoretical perspectives, not shown to have strong links to practical applications in a Local Government setting; and/or
- was not in an area identified as a priority in the Scheme's Annual Business Plan.

5. Research Links To Information On Current Local Government Issues/Projects

It is expected that proponents will research their topics to ensure that their proposal builds on any previous research rather than reproducing available material. The first step should be to search existing current or completed projects in the Scheme's own database: <https://www.lga.sa.gov.au/research>

Some of the following other web sites may have information on Local Government issues and projects undertaken across Australia.

Local Government Associations

Web Address	Name
www.alga.asn.au	Australia – Australian Local Government Association
www.lgnsw.org.au	Local Government New South Wales
www.lgant.asn.au/	Local Government Association of the Northern Territory
www.lgaq.asn.au	Local Government Association of Queensland
www.lga.sa.gov.au	Local Government Association of South Australia
www.lgat.tas.gov.au	Local Government Association of Tasmania
www.mav.asn.au	Municipal Association of Victoria
www.vlga.org.au	Victorian Local Governance Association
www.walga.asn.au	Western Australian Local Government Association

State Government Websites

Web Address	Name
www.act.gov.au	Australian Capital Territory Government Information
www.nsw.gov.au	New South Wales Government Information
www.nt.gov.au	Northern Territory Government Information
www.qld.gov.au	Queensland Government Information
www.sa.gov.au	South Australia Government Information
www.tas.gov.au	Tasmania Government Information
www.vic.gov.au	Victoria Government Information
www.wa.gov.au	Western Australia Government Information

Commonwealth and State Departments of Local Government

Web Address	Name
www.regional.gov.au/local/	Commonwealth – Department of Infrastructure and Regional Development (Local Government section)
www.regional.gov.au/local/awards/	National Awards for Local Government
www.tccs.act.gov.au/territory-services	Australian Capital Territory - Transport Canberra & City Services
www.olg.nsw.gov.au/	New South Wales – Office of Local Government
nt.gov.au/community/local-councils-remote-communities-and-homelands/about-regional-councils-and-local-authorities	Northern Territory – Department of Housing and Community Development – Local Government section
www.dilgp.qld.gov.au/local-government/local-government-ilgp.html	Queensland – Department of Local Government, Racing, and Multicultural Affairs
www.dpti.sa.gov.au/local_govt	South Australia – Office of Local Government
www.dpac.tas.gov.au/divisions/lgd	Tasmania – Local Government Division, Department of Premier and Cabinet
www.dtpli.vic.gov.au/local-government	Victoria – Local Government Victoria, Department of Environment, Land, Water and Planning
www.dlqc.wa.gov.au/	Western Australia – Department of Local Government and Communities

Selected South Australian Government Websites

Web Address	Name
www.dpti.sa.gov.au/local_govt/LGGC	SA Local Government Grants Commission
www.environment.sa.gov.au/Home	Department of Environment, Water and Natural Resources
www.sahealth.sa.gov.au	SA Health
www.saplanningportal.sa.gov.au	“Planning” within the Department of Planning, Transport & Infrastructure SA
www.pir.sa.gov.au	Department of Primary Industries & Regions SA
www.sa.gov.au/topics/driving-and-transport	“Driving and Transport” within the Department of Planning, Transport & Infrastructure SA

Universities and Educational Institutions

Web Address	Name
opus.lib.uts.edu.au/handle/10453/41944	The library of resources generated by the former <i>Australian Centre of Excellence for Local Government</i> (2009-2015) – a now-defunct collaboration of Australian universities and Local Gov't professional bodies.
www.uts.edu.au/research-and-teaching/our-research/public-policy-and-governance	University of Technology, Sydney - Institute for Public Policy and Governance, incorporating the Centre for Local Government,
www.une.edu.au/research/research-centres-institutes/centre-for-local-government	University of New England, Armadale, NSW – Centre for Local Government,
aurin.org.au/	Australian Urban Research Infrastructure Network (Federal Government in partnership with the University of Melbourne)

Local Government Newspaper

Web Address	Name
www.lgfocus.com.au/	Local Government Focus OnLine

Legislation

Web Address	Name
www.legislation.sa.gov.au	South Australian legislation
www.legislation.gov.au/	Federal register of legislation (Commonwealth)
www.austlii.edu.au	Australasian Legal Information Institute

South Australian Local Government professional associations and informal networks:

<http://www.lga.sa.gov.au/page.aspx?u=6573>

6. Project Application Site

Applications must be submitted from the on-line applications page:

<https://lgasa.smartygrants.com.au/>

Each applicant:

- must complete the questions on that page, and
- has the option of providing one or more additional supporting documents.

For further information, please contact:

- Shane Sody, Executive Officer Phone: 8224 2036; or
- Mathilde Thorsen, Project Co-ordinator Phone 8224 2057

Or email the Local Government Research & Development Scheme lgrds@lga.sa.gov.au