

8.6 Acceptance of Grant Funding from Commonwealth Government Local Roads and Community Infrastructure Program - Phase 3

REPORT BY THE MANAGER ECONOMIC DEVELOPMENT
TO 03 NOVEMBER 2021 ORDINARY MEETING
GOV400088, GRA600044

RECOMMENDATION

That Council:

1. **receive the report by the Manager Economic Development on the Acceptance of Grant Funding from Commonwealth Government Local Roads and Community Infrastructure Program - Phase 3;**
2. **accept \$3,051,864 in grant funding from the Local Roads and Community Infrastructure Program – Phase 3;**
3. **amend the 2021/22 and 2022/23 Budgets in accordance with the adjustments listed in the financial implications section of this report; and**
4. **authorise the General Manager to finalise and sign the funding agreement with the Commonwealth Government.**

Executive summary

Council has been notified in writing of an offer to accept \$3,051,864 in Federal Government funding under the Local Roads and Community Infrastructure Program (LRCI) Phase 3. The LRCI Program aims to assist a community-led recovery from COVID-19 by supporting local jobs, firms, and procurement. It is expected Councils, where possible, will use local businesses and workforces to deliver projects under the LRCI Program to ensure stimulus funding flows into local communities

The purpose of this report is to accept grant funding from Federal Government's Local Roads and Community Infrastructure Program of \$3,051,864, amend Council's Budget for 2021/22 and 2021/23, and authorise the General Manager to finalise and sign the funding agreement.

Disclosure of Interest

Nil.

Detailed report

Local Roads and Community Infrastructure Program (LRCI) is a Federal Government initiative to stimulate funds flowing into the local economy. The offer of \$3,051,864 of funding as part of Phase 3, will assist Council in delivering a range of projects that improve the local community. There is a number of criteria to be met for projects to be eligible under this funding. This criteria includes that projects must be completed by 30 June 2023 which limits the scale of projects that may be included in this program.

Phase 3 of the LRCI Program continues a temporary, targeted stimulus measure responding to the economic impacts of the COVID-19 pandemic. The LRCI Program assists a community-led recovery from COVID-19 by supporting local jobs, firms, and procurement. It is expected that Councils will use local businesses and workforces to deliver projects wherever possible to ensure stimulus funding flows into local communities.

It is recommended, that Council confirm acceptance of the grant funding of \$3,01,864, authorise the General Manager to sign the funding agreement with the Commonwealth Government and allocate the funding to the following identified projects:

- Gulgong Tennis Courts Upgrade
- Kandos Community Hall Painting and Repair Works
- Putta Bucca Training Camp Facility – Stage 2 works

Community Plan implications

Theme	Looking After Our Community
Goal	Effective and efficient delivery of infrastructure
Strategy	Provide infrastructure and services to cater for the current and future needs of our community

Strategic implications

Council Strategies

The identified projects support a number of Council strategies as identified in the Community Plan including the effective and efficient delivery of infrastructure. In receiving grant funding for these projects, the goal of an effective and efficient organisation is also supported.

Council Policies

Not Applicable.

Legislation

Not Applicable.

Financial implications

If grant application nominations are successful, the following adjustments are required to the 2021/22 and 2022/23 Budgets.

<p>Gulgong Tennis Courts In 2021/22 budget there is an expenditure budget of \$130,000, to be funded \$32,500 by Capital Program Reserve and \$97,500 Grant Funding. This is to be updated to: In 2021/22 \$130,000 to be funded by grant funding.</p>
<p>Kandos Hall Painting and Repair Works In 2021/22 budget there is an expenditure budget of \$80,000, to be funded by Asset Reserve Replacement Fund This is to be updated to: In 2021/22 increase expenditure budget by \$80,000 with \$160,000 to be funded by grants.</p>
<p>Putta Bucca Training Camp – Stage 2 Works In 2022/23 set an expenditure budget of \$2,761,864 to be fully funded by grants</p>

Budget Year	Operating	Own Source	Building &
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	Performance Ratio	Revenue	Infrastructure Renewal
2021/22	-	-	✓
Future Years	✗	✗	✗

Associated Risks

Operating Performance Ratio

Increased expenditure on new capital infrastructure does not impact operating performance ratios in the current budget year, but will increase depreciation expenditure in future years, which has a negative impact on the Operating Performance Ratio. Any anticipated income will offset this impact, but at this stage, no income budget variations are recommended.

Own Source Revenue

Acceptance of external funding such as grants will cause this ratio to decline.

Building and Infrastructure Renewals

Introducing new budgets to construct new infrastructure such as the Training Camp Facility – Stage 2 will increase asset depreciation in future years causing this ratio to decline.

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MANAGER ECONOMIC DEVELOPMENT

JULIE ROBERTSON
DIRECTOR DEVELOPMENT

22 October 2021

Attachments: Nil

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER