STRUCTURAL ADJUSTMENT FUND
DRAFT PROGRAM GUIDELINES

April 2010

Consultation draft—subject to amendment
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1. Introduction and overview

The Government announced in May 2009 that it would provide $400 million over four years, commencing 2010, to assist universities to prepare for the new operational requirements of a demand driven funding system with new quality measures in place. This funding includes $200 million from the Education Investment Fund (EIF) earmarked for capital investments for structural adjustments.

The establishment of the Structural Adjustment Fund (SAF) is in response to the conclusion of the Bradley Review of Australian Higher Education that adoption of the review’s recommended funding and regulatory framework would require some institutions to consider and if necessary revise their missions and develop new strategies to achieve those missions. The review noted that those strategies might include restructuring within and between institutions.

The SAF will support institutions to make significant structural changes necessary to refocus activities and missions to improve long term sustainability and the quality of teaching and learning. These changes could include the creation of new models of higher education institutions and collaborations between higher education institutions and TAFE institutes.

The SAF is intended to assist the provision of more sustainable higher education, particularly in regional and outer metropolitan areas.

While sustainable solutions through collaboration are a focus of the SAF, individual universities may be eligible for support if they need to substantially refocus their institution to ensure institutional stability and quality teaching in the demand driven funding environment.

Where there is collaboration with a TAFE institute, or in the case of dual sector institutions, proposals will be assessed on the basis of their benefit to higher education teaching and learning.

Structural adjustment funding will be allocated as follows:

(i) all eligible higher education providers may apply for funding through a competitive funding round:
   - assessment of all proposals against the SAF evaluation criteria; and
   - for shortlisted proposals seeking capital funding of $10 million or more, also against the EIF evaluation criteria.

(ii) if the competitive funding round does not result in the commitment of the entirety of the funds available, the Minister may direct the Department of Education, Employment and Workplace Relations (DEEWR) to work in partnership with selected eligible higher education providers to:
   - further develop unsuccessful proposals from the competitive funding round; and/or
   - develop new proposals.
In the event of (ii) occurring, DEEWR will enter into negotiations with selected eligible higher education providers to develop proposals which are consistent with the requirements of these guidelines.

These guidelines set out the eligibility requirements, evaluation criteria and application process for the Structural Adjustment Fund competitive funding round.
2. Program objective and outcomes

Objective

The objective of the Structural Adjustment Fund program is to improve the financial sustainability and teaching and learning quality of universities to ensure provide strong higher education outcomes across the country, particularly in regional Australia and outer metropolitan areas.

Grants made under the program will do this by assisting eligible higher education providers to make significant structural adjustments to prepare for the move to a student-demand driven system with new quality measures in place.

Expected outcomes

Funded projects will contribute significantly to achievement of both of the following outcomes:

(i) **Improved financial sustainability**: institutions having the size, market alignment and agility necessary to be sustainable in a student demand driven funding environment; and

(ii) **Improved quality of teaching and learning provision**: high quality higher education provision regardless of student location and the mode of delivery of courses.

What is ‘structural adjustment’

For the purposes of the Structural Adjustment Fund, ‘structural adjustment’ will mean:

(i) consolidation of higher education institutions or campuses; and/or

(ii) significant collaboration with TAFE institutes and/or other universities; and/or

(iii) significant changes in the focus, organisation or operation of institutions or campuses; directed at achievement of the outcomes specified above.
3. Eligibility, application and selection process

Eligible institutions
Grants for structural adjustment may be made to Table A providers and Table B providers which are universities. Table A and B providers are defined in Part 2-1 of the Higher Education Support Act 2003 (HESA). Only those institutions may be the lead applicant on submissions.

TAFE institutes are encouraged to partner with universities to develop proposals.

Funding and use
The program has two funding sources:

1. HESA
   - $200m has been committed through special appropriations for grants under HESA.
   - HESA funding may be used to support:
     - any non-recurrent costs necessary to implement a project excluding:
       - capital components which are eligible for EIF funding (see below);
       - costs incurred prior to the making of a grant; and
       - costs of debt servicing and debt reduction.
   - HESA funding must be expended by 30 June 2013.

2. EIF
   - $200m for capital infrastructure has been committed through the EIF\(^1\) for the SAF Program.
   - EIF funding may be used to support the capital costs of projects where the capital funding sought from the Commonwealth is $10 million or more per project.
   - The purposes for which EIF funding can be used include but are not limited to:
     (i) constructing a new building or purchasing, refurbishing or extending existing infrastructure. This might include:
       - building activities required to design and construct new facilities or refurbish existing premises
       - direct building costs associated with the construction of new facilities and the upgrading of existing premises (for example, building, plumbing and electrical costs)
       - purchase of an existing property; and/or purchase of land; and/or

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\(^1\) The legislative basis for the operation of the EIF is the Nation-building Funds Act 2008, the Nation-building Funds (Consequential Amendments) Act 2008 and the Nation-building Funds Amendment Act 2009 (the EIF legislation).
(ii) purchasing, refurbishing or installing equipment essential to a project and any subsequent commissioning of that equipment; and/or

(iii) purchasing or refurbishing equipment that supports and enables teaching and learning; for example, technical equipment or information and communication technologies.

- Non-capital costs equivalent to not more than 5% of the funding sought may be considered for activities that are required to set up any structures needed to manage the infrastructure, for example professional fees, governance structures, and legal fees related to the establishment of a business. Reasonable contingency fees for possible cost escalations may also be included.
- Funding is not available for operational costs or minor capital works, maintenance projects, recurrent funding, or any projects outside the tertiary education sector.
- EIF funding is strictly limited to a five year period from financial year 2010-11 to financial year 2014-15.

Other

Up to $400 million will be available for allocation and within this amount there is no upper or lower limit on the size of individual grants.

Funding is not available for projects directed solely at supporting growth in domestic student numbers or to support growth or restructuring of international student education.

Funding is not available for projects directed solely at strengthening university research activities. However some research-related costs may be considered where they arise as a consequence of teaching-driven restructuring.

For projects involving sharing of facilities with TAFE institutes, funding must be directed at improving the quality and sustainability of higher education teaching. However the costs of some joint facilities may be considered, subject to there being no withdrawal of effort by State and Territory governments.

Overview of SAF competitive round

Proposals can be based on the following sources of funding:

- HESA structural adjustment funding only
- EIF structural adjustment funding only
- Both HESA and EIF funding.

Step 1: All proposals will be assessed against the SAF evaluation criteria (Appendix 1, Part A) by DEEWR.

A shortlist of proposals which best satisfy the SAF evaluation criteria will be recommended by DEEWR to the Education Minister. The Minister will approve a final shortlist.

Step 2: Shortlisted applicants whose proposals require EIF funding will be invited to lodge an EIF application. The EIF Advisory Board will assess applications against the EIF evaluation criteria
(Appendix 1, Part B) and advise the Education Minister which applications satisfy the evaluation criteria.

**Step 3:** The Government will then decide which of the applications that satisfy the evaluation criteria should be funded taking into account the EIF Board’s assessments and other factors such as current macroeconomic circumstances. The Education Minister will then approve grants to be funded from HESA appropriations and announce SAF Program grants incorporating HESA and EIF funding.

DEEWR may seek additional information from applicants at any step of the process described above.

Applicants will be advised of the outcome of their proposal in writing. Further feedback may be provided by DEEWR at the conclusion of the funding round at the request of applicants (email to SAF@deewr.gov.au).

The total funding to be allocated through a competitive funding round may be any amount up to the total funding available for allocation through the Structural Adjustment Fund.

**Timetable for competitive funding round**

The timetable for the competitive funding round will be published on the DEEWR website.

Vice-Chancellors of all eligible institutions will also be notified by email of key dates for the funding round.

**Applications**

An eligible institution may submit only **ONE (1)** Structural Adjustment Fund application. Eligible institutions may also be partners on applications where another eligible institution serves as the lead applicant.

Applications must be made using the SAF application form available from the DEEWR website. Applicants must complete all parts of the form and adhere to the requirements specified in the form. Failure to meet these requirements may result in exclusion from further consideration in the evaluation process.

Shortlisted applicants whose projects seek capital funding of $10 million or more from the Commonwealth will be invited to submit an application for EIF funding. An application form requiring applicants to address the EIF evaluation criteria will be provided to those applicants following shortlisting.

Applicants should note that all required EIF information (including quantity surveyor reports, feasibility plans and letters confirming collaboration and co-investment arrangements) must be submitted with the EIF application form by the closing date and time published on the DEEWR website.

Both the SAF and EIF application forms must be signed by the applicant institution’s Vice-Chancellor or equivalent.

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2 Note that Appendix 2, Part B reproduces the EIF legislative instrument: *Education Investment Fund (EIF) Evaluation Criteria No. 2 of 2009* in its entirety. For the purposes of the SAF Program, references to Research priorities, VET priorities and EIF Sustainability Round priorities and associated references are not relevant and applicants will not be asked to address these in their SAF proposal.
All enquiries related to the SAF competitive round must be submitted by email to SAF@deewr.gov.au

**Late applications**

Late applications for both stages of the competitive funding round will not be considered except in exceptional circumstances and only when it is agreed by DEEWR (and the EIF Advisory Board where relevant) that there is sufficient time to adequately assess such applications.

Claims of exceptional circumstances will only be considered where the application was submitted late due to circumstances beyond the applicant’s control. An applicant seeking to lodge a late application must provide evidence in support of its claim of exceptional circumstances together with the application. DEEWR may in its absolute discretion seek further evidence from the applicant on this issue.

DEEWR’s decision with respect to the consideration of late applications will be final. No correspondence will be entered into in relation to the decision other than to inform the applicant of DEEWR’s decision.

**Evaluation**

Each conforming and eligible application will be assessed against the SAF evaluation criteria by appropriately trained DEEWR staff. The assessors will give all criteria an equal weighting in making overall judgement of the merit of a proposal.

Their assessments will be moderated and ranked by senior DEEWR staff meeting as an assessment panel.

The overriding principle guiding the assessment panel in the recommendation of a shortlist of projects and the recommendation of projects to be funded through HESA will be value for money for the Australian Government.

In the context of the SAF, value for money will be a combination of:

- the extent to which a project will improve the quality and sustainability of the university;
- the extent to which it is an efficient and effective use of resources;
- the extent to which Australian Government funding is necessary for project implementation; and
- the level of risk that the project will not be implemented successfully and/or that it will not achieve its proposed outcomes.

DEEWR may seek clarification from, and enter into discussion with, an applicant university and TAFE partners in relation to an application.

DEEWR may seek information or advice from other parties as required, including independent external adviser(s) and the Department of Innovation, Industry, Science and Research.

DEEWR reserves the right to consider all information contained in an application and any other relevant information available to it.
When evaluating applications against the EIF evaluation criteria, the EIF Advisory Board will operate in accordance with its charter and terms of reference issued by the Minister for Education and the Minister for Innovation, Industry, Science and Research.

The EIF Advisory Board will advise the Minister whether the shortlisted capital applications satisfy, or do not satisfy, all the evaluation criteria, taking into account all information provided in the application for EIF funding as well as responses to any additional information requested. The EIF Advisory Board will also take into account the conclusions of the DEEWR assessment panel, particularly as those conclusions relate to EIF evaluation criteria 1 and 2.
APPENDIX 1. Evaluation criteria

All applicants must address the SAF evaluation criteria, as specified below in Part A.

Shortlisted applicants whose proposals seek capital funding from the Commonwealth of $10 million or more will be invited to address the EIF evaluation criteria3, as specified below in Part B.

Part A. Structural Adjustment Fund Evaluation Criteria

Criterion 1. Need for structural adjustment assistance

Applicants must establish:

a) that the proposal is a structural adjustment; ie, that the proposal involves:
   (i) consolidation of higher education institutions or campuses; and/or
   (ii) significant changes in the focus, organisation or operation of institutions or campuses; and/or
   (iii) significant collaboration with TAFE institutes and/or other universities.

b) the extent to which the proposal is needed for the institution to thrive in a student demand-driven funding system with new quality measures in place, including:
   (i) how the changed funding and quality environments are expected to affect the institution and why the proposal is needed;
   (ii) how the proposal would better equip the institution to deal with the changed funding and quality environment;
   (iii) how the proposal fits within the context of the institution’s current mission, and/or how it would change the current mission; and
   (iv) institutional capacity to fund the proposal.

Criterion 2. Improved Financial Sustainability

The extent to which the project will enhance the financial sustainability of the institution.

Applicants should detail the nature, extent and planned financial impact of proposed restructuring activities. The overall impact of the proposal at institution level should be quantified in terms of relevant financial indicators.

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3 As specified by legislative instrument in the Education Investment Fund (EIF) Evaluation Criteria No. 2 of 2009 (available on the Federal Register of Legislative Instruments at www.comlaw.gov.au. The EIF evaluation criteria are reproduced at Part B of these guidelines, but in the event of inconsistency the legislative instrument will prevail and applicants are advised to consult the legislative instrument before making an application. For the purposes of the SAF Program, references to Research priorities, VET priorities and EIF Sustainability Round priorities and associated references are not relevant and applicants will not be asked to address these in their SAF proposal.
The applicant should address:

- how the restructure is expected to affect income sources and costs (e.g., domestic student enrolments, academic and general staff costs, and other recurrent costs);
- where there is collaboration with TAFE institutes and/or other universities, the nature and level of investment by those entities and the balance of expected benefits between higher education and other education activities; and
- impact on the community and region.

**Criterion 3. Improved quality of teaching and learning provision**

*The extent to which the project will enhance the quality of higher education teaching and learning provided by the institution, particularly in regional and outer metropolitan areas.*

The applicant should address:

- current institutional performance against teaching and learning quality indicators and where improvement would most likely be seen;
- contribution to building pathways to higher education through development of seamless, interconnected tertiary education offerings;
- expected student employment outcomes; and
- likely impact on student and staff engagement.

**Criterion 4. Project development**

*The likelihood of successful project implementation within the stated timeframe*

The applicant should address:

- the nature and status of proposed collaborations and partnerships;
- level of support/agreement of other key stakeholders, including State and Territory governments; and
- evidence of sound project planning and development and risk analysis and management.
Part B: EIF Evaluation Criteria

**Principle 1:**
Address national infrastructure priorities

**Criterion 1**  Extent to which the project will address national higher education, research, VET, and/or sustainability infrastructure priorities

The Board must be satisfied that the project involves the creation or development of tertiary education and/or research infrastructure consistent with the Australian Government’s priorities for tertiary education and/or research.

The Board must also be satisfied that the organisation has given due consideration to issues of social inclusion.

In assessing this criterion, the Board may consider the extent to which the proposed infrastructure project will contribute to one or more of the following relevant priorities:

1.1  Higher education priorities

The Australian Government’s priorities for the higher education system are outlined in the publication *Transforming Australia’s Higher Education System*, available at [www.deewr.gov.au/HigherEducation/Pages/TransformingAustraliasHESystem.aspx](http://www.deewr.gov.au/HigherEducation/Pages/TransformingAustraliasHESystem.aspx). These include:

- contributing to the creation of an internationally-competitive and world-leading higher education sector;
- enhancing teaching, learning, and research outcomes in areas of regional, national and international importance;
- supporting the ambition for growth in higher education attainment;
- increasing participation by low socio-economic status students;
- producing graduates with the knowledge, skills and understandings for full participation in society and the economy;
- providing students with a stimulating and rewarding tertiary education experience;
- engaging in the global community through student and staff mobility and the exchange of knowledge and ideas;
- contributing to the understanding and development of Australia’s social and cultural structures and its national and regional economies;
- engaging effectively with other education and training sectors to provide a continuum of high quality learning opportunities throughout an individual’s life.

1.2  Research priorities

- Playing a pivotal role in the national research and innovation system through the creation of world leading research capabilities.
- Progressively increasing the number of research groups performing at world-class levels.
- Developing greater domestic and international research collaborations and outcomes.
• Contributing to the:
  o National Research Priorities (www.innovation.gov.au/Section/AboutDIISR/FactSheets/Pages/NationalResearchPrioritiesFactSheet.aspx);
  o priorities identified in the Strategic Roadmap for Australian Research Infrastructure (www.innovation.gov.au/ScienceAndResearch/Documents/Strategic%20Roadmap%20August%202008.pdf); and/or

1.3 VET priorities
• Attaining the targets of the Council of Australian Governments (COAG) as set out in the VET National Skills and Workforce Development Agreement, including to halve the proportion of 20-64 year olds without qualifications at Certificate III level and above by 2020, and to double the number of higher qualification completions (diploma and advanced diploma) by 2020.
• For the working age population, reducing the gaps in foundation skill levels and ensuring the depth and breadth of skills and capabilities to enable effective labour market participation.
• Improving responsiveness to demand for skills development and/or address skill shortages, especially in traditional trades.
• Improving industry responsiveness to technological advances mitigating the impact of climate change and implementing sustainability best practice.
• Providing students with a stimulating and rewarding tertiary education experience.
• Engaging effectively with other education and training sectors to provide a continuum of high quality learning opportunities throughout an individual’s life.

1.4 EIF Sustainability Round priorities
• Advancing teaching, learning and/or research relating to climate change and environmental sustainability.
• Displaying leadership in the development and demonstration of environmentally sustainable infrastructure.
• Contributing towards relevant Australian Government priorities detailed in initiatives including, but not limited to, the:
  o Clean Energy Initiative;
  o National Strategy on Energy Efficiency;
  o COAG National Water Initiative;
  o National VET Sector Sustainability Policy and Action Plan;
  o National Framework for Climate Change Science;
  o National Research Priority ‘An environmentally sustainable Australia’ and the associated goals; and
  o Strategic Roadmap for Australian Research Infrastructure.
**Criterion 2**  
**Extent to which the project is clearly aligned with the organisation’s priorities and strategic directions**

The Board must be satisfied that the intended outcomes of the infrastructure are clearly aligned with the strategic directions and aspirations of the organisation.

In assessing this criterion, the Board may consider the extent to which:

- the infrastructure enhances existing strengths within the organisation or allows the organisation to develop new areas of expertise;
- it is the appropriate time for the creation or development of the proposed infrastructure;
- the infrastructure is consistent with the organisation’s environmental master plan or strategies.

**Principle 2:**  
**Demonstrate high benefits and effective use of resources**

**Criterion 3**  
**Extent to which there will be a positive impact on enhancing capacity**

The Board must be satisfied that the project will deliver the Australian Government’s objective of strategically transforming the capacity of Australian tertiary education and/or research.

In assessing the project’s impact on the capacity of the organisation, the Board may consider the relative degree to which the project will impact on:

- numbers of domestic students;
- the quality of the teaching at the organisation;
- the organisation’s research outcomes;
- the capacity of the organisation to participate in nationally or internationally significant research collaborations;
- the organisation’s environmental performance;
- advances in pedagogy and curriculum.

In assessing the project’s impact on the capacity of the sector, the Board may consider the extent to which the project will:

- increase Australia’s performance against OECD participation and performance indicators;
- improve pathways between vocational education and training and higher education/research;
- provide increased access to significant educational and research infrastructure by those outside the organisation;
- provide national or international leadership in teaching, learning or research;
- provide outreach and demonstration activities aimed at optimising the outcomes of the infrastructure.
**Principle 3:**
Efficiently address infrastructure needs

**Criterion 4**  Extent to which the project will result in improvements consistent with the level of investment

The Board must be satisfied that projects represent good value for money, have a clear public benefit, and will deliver improvements that are both significant and strategic. In assessing this criterion, the Board may consider the extent to which a project will result in improvements consistent with the level of investment through:

- expected educational and/or research outcomes;
- expected social and economic outcomes;
- expected environmental outcomes;
- the nature, composition and usage of the proposed infrastructure and, where relevant, individual components of the infrastructure.

The Board may also consider whether funding from the EIF is required in order for the creation or development of this infrastructure to proceed.

**Criterion 5**  Project determination

The Board must be satisfied that the project is a strategic and highly effective way of meeting the proposed outcomes.

In assessing this criterion, the Board may consider the extent to which:

- a range of options for achieving the intended outcomes of the infrastructure investment has been explored;
- a compelling evidence-based case has been made for why this approach represents the most effective, strategic option;
- there is evidence that this type of infrastructure makes a positive difference to teaching, learning or research;
- for buildings, the infrastructure has been designed to deliver significant environmental benefits, such as achieving a Green Building Council of Australia rating of 5 Stars or more or significant improvements in environmental performance particularly in relation to energy, water and carbon emissions.

**Criterion 6**  Extent of collaboration

The Board must be satisfied with the nature and extent of any collaboration. Collaboration will be well-regarded where it is directly relevant to the project and where it clearly enhances the outcomes of the investment.

In assessing this criterion, the Board may consider the extent to which:

- the project will lead to new collaborations and/or build on current collaborations;
- the project will result in the creation or development of nationally significant infrastructure;
- the project provides for reasonable access to the infrastructure by other organisations;
• organisations from more than one sector are involved;
• organisations from more than one geographical location are involved;
• the governance structure of the collaboration(s) is clearly defined.

If no collaboration is proposed the Board may consider the extent to which:
• there is a satisfactory explanation for this; and
• the organisation has plans to seek collaborative partners as appropriate in the future; and
• the organisation has identified who else is active in this space in Australia (and, where relevant, internationally).

**Criterion 7: Extent of co-investment**

The Board must be satisfied with the nature and extent of any co-investment. Co-investment will be well-regarded where it is relevant and where it increases the efficiency and effectiveness of the investment.

In assessing this criterion, the Board may consider the extent to which:
• organisations from more than one sector are involved;
• organisations from more than one geographical location are involved.

If no co-investment is proposed the Board may consider:
• whether there is a satisfactory explanation for this; and
• whether the organisation has plans to seek co-investment as appropriate in the future.

**Principle 4:**

**Achieve established standards in implementation and management**

**Criterion 8: Project readiness**

The Board must be satisfied with the degree of readiness of the project.

In assessing this criterion, the Board may consider the extent to which:
• the organisation has or can readily acquire the expertise to: i) develop and ii) make best use of the proposed infrastructure;
• implementation plans, construction timetables and risk management plans are satisfactory for projects of this scale;
• key stakeholders have been consulted in relation to the proposed infrastructure.

**Criterion 9: Capacity of the organisation to support, maintain and integrate new infrastructure into ongoing business operations**

The Board must be satisfied that the organisation has the capacity to integrate facilities funded by the Education Investment Fund into their ongoing business operations. The ability to maintain the facilities beyond the period of Education Investment Fund funding must be evident.
In assessing this criterion, the Board may consider:

- the financial viability of the organisation and the project;
- the governance structures relating to the proposed infrastructure;
- maintenance plans for the infrastructure;
- facilities management capabilities within the organisation;
- the application of environmentally sustainable building management practices.

The application form provides further guidance on addressing the evaluation criteria.
APPENDIX 2. Additional information

Relationship of non-capital and capital elements

HESA provides the legislative basis for the provision of non-capital funding for structural adjustment. These administrative guidelines are subordinate to Chapter x of the Other Grants Guidelines (Education) 2010 [to be made] made as a legal instrument under HESA4.

The legislative basis for the provision of capital funding for structural adjustment through the EIF is the Nation-building Funds Act 2008, the Nation-building Funds (Consequential Amendments) Act 2008 and the Nation-building Funds Amendment Act 2009 (all these Acts are referred to in these guidelines as the EIF legislation).

These guidelines are not intended to cover every aspect of the above legislation. It is the responsibility of all interested parties to familiarise themselves with the legislation and to seek their own independent legal and other advice as they see fit. At any particular time, due to changes in the governing legislation or any legislative instruments, or for other reasons, there may be inconsistencies between these guidelines and the legislation or legislative instruments, in which case the legislation or legislative instruments (as the case may be) shall prevail to the extent of any inconsistency.

Confidential Information

Copies of applications and any supporting documentation may be provided to DIISR where it seeks the advice of that department on the research and innovation implications of an application. State and Territory governments and consultants may also be consulted with regard to applications.

The Australian Government gives no undertaking to keep confidential any information contained in an application or provided by a funding recipient unless that information, when first disclosed to the Australian Government, is clearly identified by the applicant or funding recipient and is accompanied by a request from the applicant or funding recipient that the Australian Government should treat the information as confidential, including reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat the information as confidential and will use the criteria set out in the Department of Finance and Deregulation’s Financial Management Guidance No. 3 on confidentiality in procurement, July 2007 as a guide when determining whether to accept a claim for confidentiality.

Freedom of Information

All documents in the possession of DEEWR with regard to the Structural Adjustment Fund are subject to the Freedom of Information Act 1982 (“FOI Act”). Decisions regarding requests for access will be made by the authorised FOI decision-maker in accordance with the requirements of the FOI Act.

The decision-maker will consult with officers within the Departments and relevant third parties before deciding whether any exemptions apply and whether to provide access to the documents or to parts of the documents.

4 [FRLI ref]
All FOI requests are to be referred to the FOI Coordinator, Administrative Law Branch, Legal, Investigations and Procurement Group, in DEEWR’s National Office.

By post:

FOI Coordinator
Legal, Investigations and Procurement Group
DEEWR
C148CW2 – FOI
GPO Box 9880
CANBERRA ACT 2601

By email:

foi@deewr.gov.au

The Privacy Act 1988

DEEWR is bound in administering the SAF program by the provisions of the Privacy Act 1988. Section 14 of the Privacy Act contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information.

Persons, bodies and organisations contracted by DEEWR to assist in the implementation and administration of the SAF program must abide by the IPPs and the Privacy Act when handling personal information collected for the purposes of that program. In brief, those persons, bodies and organisations must ensure that:

- personal information is collected in accordance with IPPs 1-3,
- suitable storage arrangements, including appropriate filing procedures are in place,
- suitable security arrangements exist for all records containing personal information,
- access to a person’s own personal information held by the organisation is made available to the person at no charge,
- records are accurate, up-to-date, complete and not misleading,
- where a record is found to be inaccurate, the correction is made,
- where a person requests that a record be amended because it is inaccurate but the record is found to be accurate, the details of the request for amendment are noted on the record,
- the personal information is only to be used for the purposes for which it was collected, unless an exception under IPP 10 applies,
- personal information is only disclosed in accordance with IPP 11.

Privacy Complaints and Advice

Complaints about breaches of privacy should be referred to:

Privacy Contact Officer
Administrative Law Branch
Legal, Investigations and Procurement Group
DEEWR
C148CW2 – FOI
Privacy complaints can be made directly to the Federal Privacy Commissioner. However, the Federal Privacy Commissioner generally prefers that the relevant department be given an opportunity to deal with the complaint in the first instance.

**Review of Decisions and External Review**

If an applicant or proponent is dissatisfied with the way their application or proposal was dealt with by DEEWR they can approach the Commonwealth Ombudsman’s office for external review of the administrative actions of that department. Applicants or proponents may be able to seek judicial review of decisions under the Administrative Decisions (Judicial Review) Act 1977 or the common law, and should seek their own advice in relation to this.

**Construction and OH&S Compliance**

Construction projects funded by the Australian Government may be required to comply with relevant Australian Government schemes to promote good practice in the construction industry. These schemes are:

- the National Code of Practice for the Construction Industry, in accordance with the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, revised 2009. For more information see www.workplace.gov.au/building, and
- the Australian Government Building and Construction OHS Accreditation Scheme. For more information see the fact sheet ‘Applying the scheme to indirectly funded building work’ available at www.fsc.gov.au.

The Code and Guidelines may apply to building and construction activities dependent on specific funding arrangements. Accordingly, application of the Code and Guidelines will be determined on a case by case basis.

The OHS Accreditation scheme is applicable to projects where:

- the value of the Australian Government contribution to the project is at least $5 million and represents at least 50 per cent of the total construction project value, and
- the Australian Government contribution to the project is $10 million or more irrespective of the proportion of Australian Government funding.

**Further Information**

More information on the Structural Adjustment Fund will be made available on the website www.deewr.gov.au

All enquiries must be submitted by email to SAF@deewr.gov.au.
APPENDIX 3. Funding Arrangements

This appendix provides information about funding and budget issues to assist applicants to develop their applications. It does not cover all of the funding issues that will be covered in the funding agreement with the Australian Government.

Conditions of Funding

Australian Government funding will be provided through a funding agreement which will set out the terms and conditions of the funding in accordance with standard Australian Government requirements and incorporating particular legislative requirements under HESA and the EIF legislation. In addition to the outcomes of the project to be achieved, the payment arrangements, financial and reporting requirements and acquittal of grants processes, the following are some key conditions that may be included:

- all Australian Government monies payable under the funding agreement will cease on the contract end date;
- payments will be staged against agreed milestones;
- Australian Government capital funding includes but is not limited to payments for building activities required to design and construct/refurbish the project, direct building costs associated with building new or upgrading existing premises (for example building, plumbing, electrical etc), purchase of an existing property, essential technical equipment and information and communications technology platforms, and the purchase of land;
- Australian Government funding agreements will require the funding recipient to retain use and ownership of capital elements of a project consistent with the Structural Adjustment Fund objective for a reasonable period;
- the distribution of financial benefits arising from the projects will be clearly articulated;
- any building or refurbishment plans will need to demonstrate that they will meet the regulatory requirements of state or territory and local government for that location;
- funding recipients will be expected to participate in relevant evaluation programs, including the EIF national evaluation program where EIF funding is provided, and report at regular intervals;
- funding recipients will assume responsibility for the proper and professional completion of all building or refurbishment works required to establish the project;
- the grant must be spent in accordance with the conditions of the funding agreement; and
- any unexpended funds at the end of the project are to be returned to the Australian Government.

The list above is indicative only and is not intended to be exhaustive. In finalising the terms of the funding agreement, the funding agreement takes precedence if it is inconsistent with these Guidelines.

Timeframes and Progress Payments

Specific timing requirements, including an implementation plan, must be provided as part of an application. Where applications are successful an agreed payment schedule will be negotiated and included in the funding agreement with the Australian Government.
Performance Reporting

Monitoring and reporting requirements will be specified in the funding agreement and will be tailored to suit the individual project.

Grant recipients will be required to provide regular progress reports, at least quarterly, annual progress reports, and a final report on the conduct of the project as specified in the funding agreement.

Reports will, among other things, detail project outcomes, short and long-term benefits/gains (quantitative and qualitative) and overall financial performance. This will support an evaluation of the overall benefits delivered by the project and in turn (where relevant) the EIF.

Variation to Funding Agreements

Requests to vary the funding agreement (for example, extensions to a project’s timeframe) must be made to the program delegate specified in the funding agreement. Approval of variations to the funding agreement is at the discretion of the Minister or the Minister’s delegate. All variations to the funding agreement will be by written agreement of the parties. The Commonwealth is not obliged to agree to any particular variation requested.

Goods and Services Tax (GST)

The total funding payable to the funding recipient by the Australian Government does not generally include an amount to cover GST. Applicants are advised to consider the likely implications of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act) on the funding provided by the Australian Government.

Applicants are encouraged to seek their own advice on the treatment of funding under the agreement.

Where GST is payable, the Australian Government will increase the funds payable to the funding recipient by the amount of GST that is payable for the purposes of the GST Act. For example, if payment due at a particular milestone is $1.0 million and GST is payable on this amount, then the Australian Government will increase the payment amount provided to the funding recipient to $1.1 million.