

# Waste Less, Recycle More

## Organics Infrastructure (Large and Small) Program

### Stream 1: Organics Processing Infrastructure

### Guidelines for Applicants

Closing date: 5pm Thursday, 10 August 2017

Every effort has been made to ensure that the information in this document is accurate at the time of publication. However, as appropriate, readers should obtain independent advice before making any decision based on this information.

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## Section 1: Program rules

### What you need to know about this program

#### About the NSW Environmental Trust

The NSW Environmental Trust (the Trust) is an independent statutory body established by the New South Wales Government to fund a broad range of organisations to undertake projects that enhance the environment of NSW. The Trust is empowered under the *Environmental Trust Act 1998*, and its main responsibility is to make and supervise the expenditure of grants. The Trust is administered by the Office of Environment and Heritage (OEH).

#### About the NSW Environment Protection Authority

The NSW Environment Protection Authority (EPA) is an independent statutory authority and the principal environmental regulator in NSW. It leads the state's response to managing a diverse range of activities that can impact on the health of the NSW environment and its people, using a mix of tools including education, partnerships, licensing and approvals, audit, enforcement and economic mechanisms. The EPA is empowered under the *Protection of the Environment Administration Act 1991* (POEO Act).

#### About Waste Less, Recycle More

Waste Less, Recycle More (WLRM) was launched in February 2013, providing \$465.7 million over five years to reduce waste to landfill and increase recycling. An extension of WLRM until 2020/21 was announced in October 2016 with an additional allocation of \$337 million.

The EPA is responsible for the delivery of the majority of the programs under this initiative along with the overall outcomes. The Trust is responsible for the delivery of most of the contestable grant programs, and works in partnership with the EPA to deliver these programs. A key focus of this initiative is to assist communities, business and industry across the NSW economy to reduce waste, increase recycling and meet recycling targets in the [NSW Waste and Resource Recovery \(WARR\) Strategy 2014-2021](#).

The WLRM extension is made up of:

- \$70 million Local Government Waste and Resource Recovery Program
- \$65 million Illegal Dumping Prevention and Enforcement Fund
- \$30 million Litter Prevention and Enforcement Fund
- \$35.5 million Organics Infrastructure Fund and Program
- \$48 million Waste and Recycling Infrastructure Fund
- \$57 million Systems for Household Problem Waste Program
- \$5 million Recycling Innovation Fund
- \$22.5 million Business Recycling Program
- \$4 million Heads of Asbestos Coordination Authorities program

## The Organics Infrastructure Fund

Food and garden waste remains the largest proportion of waste going to landfill from both homes and business in NSW. The successful diversion and reuse of the organics stream is critical to achieving the target to divert 75 per cent of all waste from landfill by 2021. The \$105.5 million Organics Infrastructure Fund (\$70 million under the initial Waste Less, Recycle More and a further \$35.5 million under the WLRM extension), integrates all the components required for successful diversion of organics from landfill and recovery of organics as a valuable resource including:

- food waste avoidance
- food donation and redistribution to people in need
- organics collections
- organics processing (this grant program)
- markets for composted organics
- regulation and compliance

## The Organics Infrastructure (Large and Small) Grants Program

The Organics Infrastructure (Large and Small) grants support a broad range of small and large infrastructure and equipment to reuse or recycle source separated food and garden waste that would otherwise be landfilled. The grant program also provides funding for infrastructure that will improve product quality and consistency to ensure strong markets for recycled organics products and, therefore, effective diversion of organics from landfill in NSW. Grant projects are grouped into four main types or streams. Each stream has its own guidelines, application forms and assessment criteria.

This is the first of up to three rounds of the Organics Infrastructure (Large and Small) grants program (2017-2021). It follows four previous rounds. Major changes include:

- Maximum funding for projects under Stream 1 now \$3 million, reduced from \$5 million in Rounds 1-4
- Stream 4 'Product Quality' has replaced the previous 'Home Composting' stream.

## Grant program summary

Stream 1 Organics Processing Infrastructure	Grants of up to \$3 million, available to for new or enhanced infrastructure by councils, waste companies or composting companies to process food, garden or combined food and garden organics from households and/or businesses. This stream supports organisations processing organics generated and source separated by others.
Stream 2 Business Organics Recycling	Grants covering up to 50 per cent of costs of onsite Processing equipment for business. <b>Note: Funding under this stream is NOT available this round.</b>
Stream 3 Food Donation	Grants of up to \$500,000, available to food relief agencies for infrastructure, like refrigerated vans and freezers that increase capacity to collect, store and redistribute surplus food from businesses to people in need.
Stream 4 Product Quality	Grants of up to \$500,000, available to councils and business for infrastructure, such as decontamination equipment to improve the quality and consistency of organics outputs above regulatory requirements and leading to robust markets for recycled organics.

These guidelines refer to **Stream 1 Organics Processing Infrastructure** grants only. Refer to separate guidelines and application forms for the other streams of the Organics Infrastructure (Large and Small) grants program.

Stream 1 is the priority for the Organic Infrastructure (Large and Small) grants program. It aims to improve the processing capacity for source separated food and/or garden organics collected from households and commercial and industrial businesses across NSW to divert waste that would have previously been landfilled.

**Note:** Agricultural/primary industry wastes are not eligible, unless they are currently transported from where they are generated to an offsite waste management facility/landfill.

Outputs from the processing must meet resource recovery exemption and order requirements. For more information on these exemptions and orders, visit the [EPA website](#).

Many projects delivering new processing capacity and new facilities that were funded in Rounds 1-4 are nearing completion and tendering for source separated organics supply. Applicants are strongly advised to check the project descriptions from previous funded projects on the [Trust website](#) to ensure your project is not proposing to process the same supply of organics, as all projects must demonstrate diversion of an additional supply of organics from landfill.

## Eligibility

### Eligible organisations

Organisations eligible to apply include:

- businesses that are experienced in waste management and/or organics processing
- NSW councils
- groups of councils
- other local-government controlled organisations (or deemed to have the same local government function)

**Note:** all applicants must be legally constituted entities and be organisations not individuals or sole traders.

### Partnership projects

Partnership projects are encouraged. For example, a group of councils operating a series of small composting operations where the equipment is owned and shared amongst several sites and council areas.

Partnership projects can improve the implementation and reach of projects. An organisation must be appointed to act as the grant applicant and administrator of the project, including signing the funding agreement and submitting milestone reports. It is expected that an agreement will have been reached between all partners in relation to project management, roles, responsibilities and funding contributions before applying for funds. This agreement should be demonstrated in the grant application and can be provided in the form of a Memorandum of Understanding signed by each partner or a letter from each partner detailing their roles, responsibilities and commitments.

### Multiple applications

Applicants are permitted to submit multiple applications. For example, an organisation might submit an individual project for two different sites or reapply if unsuccessful in a previous round. If undertaking or proposing several projects, applicants must provide evidence of sufficient resources to undertake all projects, including capacity to manage multiple projects funded in previous rounds, and any in kind funding or other resources must be trackable against individual grant funded projects. However, it should be noted that projects supported by WLRM will be expected to be completed on time and requests for variations to project scope, budgets and timelines will only be approved in exceptional circumstances.

### Conditions of eligibility

Eligible organisations must also meet the following conditions to qualify for funding:

- Complete the Trust's forms and documents:
  - Part A: Application Form
  - Part B: Application Budget
  - Part C: Project Plan
  - Financial analysis and other supporting documents relevant to the amount of funding being requested

- Include in your application the names of two senior officers in your organisation (e.g. General Manager, CEO, Chief Financial Officer, Group Manager or Secretary) who can attest to the accuracy of the information within the application.
- Ensure your application is received by the closing date. Late applications will not be accepted.
- Demonstrate in your application that your project is aligned with the program aims and objectives, provides value for money, delivers public benefits, and will deliver significant resource recovery outcomes.
- Demonstrate that previous government grants have been managed effectively or where previous grants have performed poorly, explain how your organisation's performance will be improved.
- Demonstrate that the time required for all necessary planning, regulatory or other approvals has been considered and the project is planned, taking these factors into account (experience from previous rounds of the program highlight that longer than anticipated time to gain approvals is a major cause of project delay).
- Submit projects that will be constructed/commissioned by January 2020 and have six months of throughput data by 30 June 2020.

Applications that do not satisfy all the above conditions will be deemed ineligible and will not be assessed.

You are also ineligible if:

- your organisation, a project partner or related company generates waste in NSW that is transported for recycling or disposal out of NSW; and
- there was, at the time of transport, a lawful recycling or disposal facility for that waste within NSW.

Organisations that generate waste near the border to any other Australian State or Territory may, however, apply for an exemption from this provision if they can demonstrate compelling circumstances as to why waste has been sent out of NSW.

## Funding

Grants of between \$25,000 and \$3 million are available, covering up to 50 per cent of the capital costs relating to organics processing infrastructure and equipment.

Depending on the amount of funding requested, applicants are required to submit the following documents:

Applicants seeking funding less than \$500,000 are required to submit:

Part A	Application Form	PDF Document	Financial Analysis	Excel Document
Part B	Application Budget	Excel Document		
Part C	Project Plan	Word Document		

Applicants seeking funding between \$500,000 and \$1 million are required to submit:

Part A	Application Form	PDF Document	Financial Analysis	Excel Document
Part B	Application Budget	Excel Document	Cost Benefit Analysis	Excel Document
Part C	Project Plan	Word Document		

Applicants seeking funding greater than \$1 million are required to submit:

Part A	Application Form	PDF Document	Financial Analysis	Excel Document
Part B	Application Budget	Excel Document	Cost Benefit Analysis	Excel Document
Part C	Project Plan	Word Document	Implementation Plan	Word Document

**Note:** Up to six, eight or 16 hours of business case advisory service support is available for applicants from the EPA. See page 12 for more details on eligibility and how to access this service.

### What will be funded?

A large range of built infrastructure and equipment is eligible if the applicant can demonstrate the infrastructure and equipment contributes to increased capacity to process source separated food and garden organics. The applicant must also demonstrate that the organics would have been sent to landfill due to the lack or limits to processing capacity.

Generally, projects funded in previous rounds have included a range of equipment needed for the various stages of the organics treatment process e.g. receipt, decontamination, pre-treatment, pasteurisation and maturation. Where applicants are requesting equipment for only one or two stages of an organics treatment process, the application should include a detailed explanation of how the piece of equipment increases the operational capacity of the facility and will lead to increased diversion from landfill.

Examples of infrastructure and equipment eligible for funding under this stream include, but are not limited to:

- New and/or enhanced major organics processing facilities including anaerobic digestion, tunnel composting and windrow composting facilities.
- Upgrades to composting facilities to decrease the environmental risk where the facility is expanding processing capacity to include food waste.
- Sheds to enclose the receipt of material and/or early composting stages.
- Signage and barriers.
- Engineered compost pads.
- Shredders for input of materials to composting operations.
- Preliminary processing equipment e.g. food de-packaging and contamination removal equipment.
- Trommel screens.
- Aeration management equipment.
- Windrow covers.
- Training in the use of the new equipment.
- Detailed design costs, where the design costs are less than 5 per cent of the project budget and have been procured from an expert.

The requested grant must equal no more than 50 per cent of the eligible infrastructure and equipment capital costs.

### What will not be funded?

Activities, projects and elements that are ineligible for either grant funding **or** matching contributions include:

- Works already completed or committed to at the time the opening of the grant round was announced (including but not limited to contracts let or called for to construct infrastructure or buy equipment or where construction/installation has already commenced).
- Equipment to process or handle organics where a contract is already in place for supply of the organics for three years or more.
- Operational expenses including, fuel, electricity, equipment maintenance, monitoring and staff costs (other than staff costs associated with training).
- Project management and grant administration costs.
- Marketing costs.
- Capital expenditure costs related to processing of non-source separated organics, organics from sources other than the municipal or commercial and industrial waste stream or organics that would not have previously been disposed to landfill, stockpiled or burnt at a waste facility.
- Statutory requirements such as development consent, environmental impact assessments, operating licences, or compliance the conditions thereof.
- Activities, projects or infrastructure outside NSW or processing waste generated outside NSW.
- Compost spreaders for application of processed organics to land.
- Bagging equipment.
- Transport and/or vehicles.
- Offsite equipment e.g. bins or skips that are provided to the waste suppliers.
- Purchase of land.
- Research.
- External road upgrades.
- Leased equipment.
- Contingency costs expressed as a percentage of the project cost.
- Costs associated with the development of the grant application.

Projects that involve related-party transactions: Applicants that are purchasing goods or services from related entities will not be eligible for funding unless they can prove to the satisfaction of the Trust that any financial benefit is given on terms that would be reasonable in circumstances where the parties are dealing at arm's length or on terms that are less favourable to the related party. While these types of transactions are legal and ethical, the special relationship inherent between the involved parties creates potential conflicts of interest and the Trust would prefer not to have to manage these potential conflicts. **If in doubt, contact Trust Administration before submitting your application.**

Before finalising Part B: Application Budget, applicants are encouraged to contact the EPA to discuss eligible and ineligible items.

### Funding from multiple sources

Funding under this program requires a **co-contribution** of at least 50 per cent towards the total cost of *eligible* grant items. You must be able to demonstrate this in Part B: Application Budget.

Some large projects may involve multiple sources of government funding. For us to make fair decisions about allocating grants, setting funding priorities and avoiding duplication with other government agencies, you are required to advise us if you:

- Have secured funding from another government agency for the same or related activities to those funded by the Trust.
- Have current applications lodged with other government agencies.
- Receive other funding from other government agencies while your project is underway.



The Trust encourages applicants to develop projects which include partnerships, collaboration, other funding sources and in-kind contributions. These all tend to improve outcomes of projects and will make your application more competitive.

### Cost benefit analysis and financial analysis of projects

Applicants will need to undertake a financial analysis and potentially a cost benefit analysis (economic analysis) depending on funding thresholds detailed below. The cost benefit analysis is required to ensure that approved projects will provide value for money, deliver a net public benefit and will deliver significant resource recovery outcomes. The financial analysis is required to demonstrate that the project is financially viable.

These analyses will assist the Trust to understand the private and public benefits associated with your proposal. Economically and financially sound projects that seek to maximise public benefits (such as diversion of waste from landfill, and creation of new jobs) will be favourably considered.

All Applicants are required to submit a financial analysis using the template provided on the Trust's website.

Applicants requesting more than \$500,000 of grant funding and/or a **total project value greater than \$1 million**, regardless of the size of the grant, are also required to submit a cost benefit analysis (economic) and financial analysis using the templates provided on the Trust's website.

In the cost benefit analysis applicants need to:

- Describe and include both business-as-usual and grant-based scenario cases
- Include all costs that result from the project including capital, operating, maintenance, and provision for contingencies
- Include all the benefits (where values are available) e.g. avoided costs, cost savings, revenue from sale of recovered materials, broader environmental and amenity benefits (where they can be quantified)
- Assess net benefits including:
  - net present value (without grant funding)
  - benefit cost ratio
  - internal rate of return (per cent)
  - sensitivity testing (vary key assumptions and discount rates)
- Document all data sources, references to data sources and assumptions

In the financial analysis applicants need to:

- Include all projects costs, including capital, operating, maintenance, provision for contingencies and tax.
- Include all income streams e.g. gate fees, sale of recovered materials and grants.
- Confirm that the project is financially viable.

### Best practice in sustainability

It is expected that projects will implement best practice in sustainability. This can be defined as being mindful of the 'big picture'. For example, in designing, building, upgrading or enhancing a facility. In your application, you will also need to demonstrate a commitment to incorporating sustainability principles into the design of your project. This includes energy and water efficiencies, biodiversity impacts and landscaping. The [Government Resource Efficiency Policy \(GREP\)](#) is a useful reference. You should also include any associated actions your organisation has already implemented, or intends to implement, including reference to local/organisational strategies, policies or plans.

## Grant conditions

Successful grant applicants will be required to agree to the following:

1. Acknowledge both the Trust and EPA's support in all promotional material or any public statement about your project. Your acknowledgement must include the dual Trust and EPA logo in accordance with publishing requirements.
2. Ensure that an invitation is issued to a government representative to any launch or public event associated with this funding, and that where they can attend, they are acknowledged as official guests. Where practicable, representatives should be afforded the courtesy of publicly addressing the event.
3. Hold adequate insurance cover including public liability insurance of \$10 million, workers' compensation and volunteer insurance.
4. Acknowledge the grant funding is contingent on processing capacity and will be adjusted according to any variances to this capacity.
5. Must demonstrate that the time required for all necessary planning, regulatory or other approvals has been considered and the project is planned with this in mind.
6. Must be able to demonstrate significant commencement within four months of accepting the grant, which can include obtaining all approvals, advertising tenders or commencement of works.
7. Plan to have your additional processing capacity constructed/commissioned no later than 31 January 2020.

### Compliance with NSW environment protection laws

Note that the Trust, with support from the EPA, will consider the compliance history of applicants under NSW environment protection laws, including penalty notices, clean up notices, prevention notices, licence suspensions, licence revocations, convictions or prosecutions under the *National Parks and Wildlife Act 1974*, *Protection of the Environment Operations (POEO) Act 1997*, *Protection of the Environment Operations (Waste) Regulation 2014* and the *Native Vegetation Act 2003*.

In addition, applicants are not eligible for the grant if, on or after 20 June 2017 they, or any directors or managers of the applicants (whether as directors or managers of the applicants or otherwise in their personal capacity or including where they have been directors or managers of other companies), have contravened any provision of the POEO Act with the result of avoiding, minimising or undermining the requirement to pay any waste contributions required under section 88 of the POEO Act.

For the purposes of this matter, the relevant provisions of the POEO Act are sections 48, 64, 88, 115, 120, 142A, 143, 144, 144AA, s144AB or 211 of the POEO Act or Part 2 of the *Protection of the Environment Operations (Waste) Regulation 2014* in relation to any waste activities where a consequence of the contravention has the result of the avoidance, minimisation or undermining of the waste contribution. This also includes a contravention of any clause of a resource recovery exemption.

These matters can be taken into account whether or not any regulatory action has taken place in relation to those contraventions, including whether or not court proceedings have been commenced or an offence has been proven in court proceedings.

### Regulations governing use of outputs

The application of waste to land, or its use as a fuel in NSW may trigger the requirement to hold an Environment Protection Licence (EPL) under the POEO Act. The thresholds regulating whether a site needs to hold an EPL for those activities can be found in Clause 39 and 40 of Schedule 1 of the POEO Act. The EPA may exempt a person from the requirement to hold a licence for these activities.

Resource Recovery Exemptions and Orders are granted by the EPA where the land application or use of waste as fuel is a bona-fide, fit for purpose, reuse opportunity.

The EPA encourages the recovery of resources from waste by issuing both general and specific Resource Recovery Exemptions and Orders.

General exemptions and orders are issued for commonly recovered, high-volume and well-characterised waste materials. A general exemption and order may be used by anyone, without seeking approval from the

EPA, provided that the generators, processors and consumers fully comply with the conditions of the exemption and order.

Where no general exemption and order are available for the intended use, a specific exemption and order may be issued after an application is made to the EPA.

There are four relevant general exemptions and orders:

- pasteurised garden organics
- compost
- solid food waste
- liquid food waste

**Note:** Composting does not include drying or dehydration processes.

For more information on these exemptions visit the [EPA website](#). If it is intended to use organics outputs as a fuel, they must comply with the [NSW Energy from Waste Policy Statement](#).

### What happens if I supply false or misleading information?

Applicants must certify that all the information in the application is true and correct.

**Note:** If applicants supply information as part of the application that is false or misleading in a material particular, the application will not be considered OR, if the grant is made and it is discovered that information supplied was false or misleading in a material particular, the grant will be revoked and funds, plus interest, must be repaid. An assessment regarding possible fraud will also be undertaken and appropriate legal action initiated if warranted.

## Obligations of successful applicants

### Grant Agreement – Environmental Trust

Successful applicants will be required to enter into a performance-based funding agreement which will stipulate all funding obligations and conditions. The Trust will monitor the progress of projects. Funding is normally provided against agreed milestones and continuing funding is dependent on satisfactory Milestone Reports.

Successful applicants will have up to 30 days from the date of formal notification of the offer of funding to sign a grant Agreement. If the grant Agreement is not signed within the specified period, the offer of funding may lapse.

Successful applicants will also be required to:

- Provide written evidence from any project partners who are contributing funds or resources to the project.
- Forward a Tax Invoice to the Trust for each instalment, as due, of their grant, (plus GST if applicable).
- Have or can demonstrate that the time required for all necessary planning, regulatory or other approvals has been considered and the project is planned with this in mind.
- Complete a Project Measures report at the commencement and with each report. A template is available on the [Trust's website](#) detailing what type of information will be required.
- Seek prior approval to any variation to the proposed project plan, project measures, timeframe or budget.
- Confirm a final schedule of payment and reporting dates relative to project activities.
- Comply with all conditions contained in the grant agreement.
- Provide Milestone and Final Evaluation Reports in accordance with the reporting requirements outlined in the Deed of Agreement, including an independently audited financial Statement of Expenditure.
- Acknowledge the Trust's and EPA's support in all promotional material or any public statement about your project. Your acknowledgement must include the dual Trust/EPA logo in written material in accordance with publishing requirements. Logo to be downloaded from the [Trust website](#).

- Demonstrate that any previous Trust, OEH and EPA grants received by the organisation were conducted or are progressing to the relevant organisation's satisfaction.
- Be prepared for all knowledge gained as part of the grant to be made publicly available whether that be publishing the Final Evaluation Report or promoting the project via other avenues available to the Trust and the EPA.

### Project implementation timeframe

The Trust receives an annual funding allocation for the WLRM programs, with limited capacity to carry over funds to future financial years. Consequently, projects must be completed within three years of the grant offer. If the project is likely to extend beyond 36 months (three years), you are encouraged to consider staging the project. For projects that are not completed within 36 months of the grant offer, the applicant must justify why the grant should not be terminated.

While requests for variations to projects are available these should be submitted as soon as possible and significant extensions to time will only be approved under exceptional circumstances. Projects should be able to demonstrate significant commencement within four months of the signing of the grant agreement, and projects that cannot do this without justification may be revoked.

## Assessment criteria

Selection for Trust grants is a state-wide, merit-based process. Eligible applications will be assessed by an independent Technical Review Committee (TRC) against the assessment criteria, set out in the following table.

The application forms will allow the TRC to assess your project. Your application should be prepared with these criteria in mind. Beside each assessment criterion is a reference to a section of the Application Form that contains questions relevant to that criterion. All questions in the application form should be answered fully.

1. Organics capacity, throughput and market analysis
<ul style="list-style-type: none"> <li>• improved capacity to process source separated organics (tonnes/year)</li> <li>• timing of additional capacity and throughput</li> <li>• qualitative assessment of the likelihood that additional source separated organics supply will occur: <ul style="list-style-type: none"> <li>▪ source of additional organics material identified</li> <li>▪ service offering viable/credible</li> </ul> </li> <li>• qualitative assessment of the likelihood that recovered organics are beneficially utilised: <ul style="list-style-type: none"> <li>▪ markets/uses are identified</li> <li>▪ appropriate specifications and quality standards for products</li> </ul> </li> <li>• service offerings are viable/credible</li> </ul>
2. Technical analysis, approvals, licensing and best practice
<ul style="list-style-type: none"> <li>• suitability of the facility/equipment for the proposed location</li> <li>• effectiveness of the technology for the proposed application</li> <li>• effectiveness of the technology for meeting the aims and objectives of the grant program</li> <li>• evidence that the technology has been proven in similar applications</li> <li>• management systems</li> <li>• ability to obtain relevant approvals and licensing requirements</li> <li>• performance history</li> </ul>
3. Value for money and project impacts
<ul style="list-style-type: none"> <li>• a detailed budget is provided</li> <li>• cash and in-kind support is available (co-investment is leveraged)</li> <li>• grant dollars invested per annual tonne of additional recycling capacity</li> <li>• environmental, social and economic benefits</li> <li>• financial viability of the project</li> <li>• net public benefits based on the cost benefit analysis and compliance with NSW Treasury's Economic Appraisal Guidelines (for projects with a total cost over \$1,000,000)</li> </ul>
4. Demonstrate ability to deliver the project to a high standard
<ul style="list-style-type: none"> <li>• sound project planning and methodology</li> <li>• risk management is considered</li> <li>• there is a range of resources available for the project</li> <li>• demonstrated management skills, expertise and relevant experience</li> <li>• the level of performance on any previous grants</li> </ul>

## Business case advisory service

All the application documents make up a business case for your project. The EPA provides independent, confidential, free and expert assistance to applicants to support the development of their business case. The Business Case Advisory Service provides:

- Up to six hours for projects seeking grant funding between \$25,000 and \$500,000.
- Up to eight hours for projects seeking grant funding between \$500,000 and \$1 million.
- Up to 16 hours for projects seeking grant funding between \$1 million and \$3 million.

The advisors support the applicant as they prepare their business case; advising on appropriate analysis, content and presentation of information. The advisor will also provide comment and critical feedback on the quality of the business case presented. Business cases prepared in a consistent format and to high standards will streamline the assessment process and increase the overall quality of grant applications.

The advisors cover the following areas of planning and analysis expertise:

- market analysis, including supply of waste and demand for product
- technical analysis, including selection, integration and optimisation of plant and equipment
- economic and financial analysis, including the preparation of a cost benefit analysis consistent with NSW Treasury Guidelines and assessment of net public benefits
- planning and licensing analysis
- project planning to detail steps involved in commissioning and ongoing operation of the infrastructure

Advisors are **not** funded to:

- gather the necessary background information
- complete business case on behalf of the applicant
- complete the Trust grant application on behalf of the applicant

To apply for Business Case Advisory support, applicants must complete the [EPA Business Case Advisory Service](#) (BCAS) application form on the Trust website.

It is advised that applicants apply as soon as possible as there are a limited number of advisors and limited period available before the closing date for applications. Applications to use the service will only be accepted up to **2 August 2017** i.e. one week before the close of the grant round.

The provision of support is at the discretion of the EPA. Receiving BCAS support does not mean that you will automatically be awarded a grant and if you do not receive BCAS support, you can still apply for a grant. If your BCAS application is successful, the EPA program manager will contact you and will forward your BCAS application and contact details to an advisor.

Advisors are contracted by the EPA and are bound to keep information provided by applicants confidential.

## Part B: Application budget

### Overview

Part B: Application Budget form is an Excel document, separate from the main application form. Download the form from the [website](#).

When you populate the budget spreadsheet, the figures you enter will be totalled automatically. You cannot cut and paste data into the document as it can alter the formatting and cause errors, which may result in your budget submission being deemed ineligible and your application not being considered.

Enter the data manually and submit the completed form as an Excel document so that it can be uploaded directly into the Trust database. **DO NOT PDF**.

An incorrect or incomplete Application Budget form may render the application ineligible or reduce the Technical Review Committee's confidence in the applicant's capacity to deliver the project and manage the finances. If you are unclear about what is eligible and ineligible or how to complete the Budget spreadsheet, contact the EPA for advice.

The Application Budget consists of one worksheet with five parts:

- Part 1** Project expenditure breakdown.
- Part 2** Other sources of project income.
- Part 3** Summary of Project Costs for eligible grant items only.
- Part 4** Additional direct project costs (ineligible items).
- Part 5** Summary of Project Costs including ineligible items.

You must complete Parts 1, 2 and 4 and the 'total' fields will be automatically populated in Part 3 and 5.

All costings in your budget need to be detailed, reasonable and justifiable, especially where individual items comprise a large proportion of the overall budget. Detailed costing ensures that your budget is well planned and linked to the objectives and activities of your project. Ensure each line item can be matched against invoices when reporting. Be specific and give unit values where possible. There is a risk that if you do not provide sufficient detail and justification, your application may not be as competitive.

### Cash and In-kind contributions

The Trust values the ability to secure additional cash and in-kind contributions as doing so reflects support for your project and added value for money. Pages 5-6 of these guidelines detail what is eligible and ineligible for funding. Separate eligible and ineligible items in your budget on the appropriate tabs.

That is, show all **eligible** costs for the project in Part 1 and 2 of the budget to a maximum of \$3 million requested from the Trust. Show all **ineligible** costs provided as cash or in-kind to the project in Part 4 of the budget. The grant will not cover the cost of ineligible items but details of ineligible costs should still be populated if they are relevant to the project to provide an overall total project value.

### Taxation - goods and services tax (GST)

- Organisations administering a grant (and are registered for GST) are not to include any GST in the application budget. The Trust will add 10 per cent GST to the grant payment.
- Organisations administering a grant **that are NOT** registered for GST are to include in the application budget any GST that will be incurred during the life of the project.
- A tax invoice is required for the amount of each milestone payment of the grant/project. The invoice is to include GST if applicable.
- All invoices from councils (as a government related entity) should be exclusive of GST.



## Application and submission process

See page 5 for the detailed list of forms and other documentation that need to be submitted. Note that the documents required depend on the amount of funding sought.

All documents can be downloaded from the [Trust's website](#).

**Note:** The Application Form and Budget documents (Part A and B) are locked. This means that the size of the text boxes will not expand, so your answer must fit only into the space provided. Part C: Project Plan form will expand to accommodate additional information.

Ensure you have included with your application all the other required forms i.e. financial analysis, cost benefit analysis and/or implementation plan as detailed on page 5 of these guidelines to be eligible for funding. These documents can also be downloaded from the [Trust's website](#).

### Who to contact if you need further help

#### Application assistance

NSW Environmental Trust

Phone: (02) 8837 6093

Email: [waste.recycling@environmentaltrust.nsw.gov.au](mailto:waste.recycling@environmentaltrust.nsw.gov.au)

#### General program assistance

NSW Environment Protection Authority

Phone: (02) 9995 6876

Email: [organics.recycling@epa.nsw.gov.au](mailto:organics.recycling@epa.nsw.gov.au)

### Attachments

Due to the number of applications expected and the detail included within them, any additional or supporting material submitted with your application should be kept to a minimum. Limit the number and size of attachments. Examples of acceptable attachments include:

1. Strategy, policy or report extracts (maximum two pages)
2. Summary of previous projects (maximum two pages)
3. Letters of support signed by senior officers (maximum two pages)
4. Risk management plan (maximum four pages)
5. Gantt chart (A4)
6. Quotes

### Applications over \$1 million

Applications seeking grant funding of more than \$1 million need to provide additional information. They must include accurate and comprehensive cost estimates and a detailed implementation plan as an appendix. This Implementation Plan should provide documentation of:

- project plan
- governance model
- procurement strategy
- change management strategy
- benefits realisation strategy
- stakeholder consultation strategy
- resourcing issues

This information needs to be detailed and needs to explain how implementation will be managed and delivered (see the [NSW Treasury Guidelines for Capital Business Cases](#)).

Use the template provided on the Trust website to structure your implementation plan response.



## Application submission

Use the checklist at the end of the application form to make sure that your application is complete and accurately represents your project.

Applicants must adhere to the naming instructions for submitting their application documents, which is detailed below.

## Document naming

- |                         |                             |
|-------------------------|-----------------------------|
| • Application Form      | 01 Grant Application        |
| • Application Budget    | 02 Grant Application Budget |
| • Project Plan          | 03 Project Plan             |
| • Financial Analysis    | 04 Financial Analysis       |
| • Cost Benefit Analysis | 05 Cost Benefit Analysis    |
| • Implementation Plan   | 06 Implementation Plan      |

Any application that is late, incomplete or ineligible will not be considered.

## Application and notification

### Acknowledgement of receipt of applications

For emailed applications, you should expect acknowledgement of your Application Form within two days of the closing date. If you do not receive acknowledgement, contact the Trust to ensure your email has been received.

Furthermore, you should expect to receive a confirmation email with a unique reference number within three weeks of the closing date. This reference number should be used in all correspondence to and from the Trust. If you do not receive an email within three weeks, contact Trust administration on (02) 8837 6093 or by email at [waste.recycling@environmentaltrust.nsw.gov.au](mailto:waste.recycling@environmentaltrust.nsw.gov.au).

### Notification of grant decisions

The Minister for the Environment, as Chair of the Environmental Trust, will publicly announce the successful applicants. Applicants will also be notified in writing.

### Assessment and approval process

After the closing date, Trust Administration staff will check whether your application is eligible and complete for assessment purposes.

The Trust establishes an independent Technical Review Committee (TRC) for each grant program. The Trust's TRCs are made up of people with knowledge and experience relevant to each grant program and include at least one representative of community groups and at least one representative of industry. Committee members agree to undertake their duties within the principles of ethical conduct – integrity, objectivity and independence. They are also required to keep all matters concerning applications confidential and to declare any potential conflict of interest.

The independent TRC will assess the merit of your proposal by using the assessment criteria outlined on page 11 of these guidelines and will make recommendations to the Trust who will ultimately approve the funding. Successful applicants may not receive the full amount requested and may be subject to special, as well as general, conditions of funding.

Unsuccessful applicants can request feedback on their applications by contacting the Trust Administration staff.

Decisions by the Trust are final. There is no appeal process.

### Confidentiality

The Trust will use the information you supply to assess your project for funding. Information on funded projects may be used for promotional purposes.

We will endeavour to treat sensitive personal and confidential information that you provide to us confidentially. If you require strict commercial confidentiality, you should request this in your application. However, all documents held by the Trust are subject to the *Government Information (Public Access) Act* 2009.

### Intellectual property

The applicant must own or be able to lawfully use any intellectual property required to carry out the project. The applicant will be required to grant the EPA and Trust (without cost) a non-exclusive irrevocable licence to use, reproduce, communicate to the public, or adapt the intellectual property in the project.

### Tax

Goods and Services Tax (GST) applies to payments made under this program. However, some grants of financial assistance may be subject to income tax in the hands of certain recipients. It is therefore recommended that potential recipients seek independent legal and financial advice if uncertain of the taxation obligations.

Refer to 'Taxation - goods and services tax (GST)' on page 13 for more information.

## Program Changes

The Trust reserves the right, as its sole and absolute discretion and at any time, to change the eligibility and selection criteria for this program. Current eligibility and selection criteria for the fund are described by this document.

## Conflict of interest

### **Refers to question 38 in your Application Form**

Applicants are required to declare any real, potential or perceived conflict of interest (COI) that they may be aware of in relation to the awarding of a grant, particularly where:

- The project for which funds are being sought is to be undertaken on private land where that land is owned by a member or members (or relatives) of the organisation applying for the grant.
- Members, or relatives of members, of the applicant organisation are being paid as project managers with Trust funds.
- Members, or relatives of members, of the applicant organisation are being paid as contractors with Trust funds.
- Works carried out by the project could create current or future financial or other benefit for members of the organisation applying for the grant, or their relatives.
- Third parties used to assist in the preparation of the grant application will potentially be engaged to carry out work on the actual grant project.

Such circumstances do not exclude the project from being funded, however they do need to be acknowledged as a potential conflict of interest. The TRC will assess each situation on its merits and environmental need.

## Section 2: Guide to completing your application

The information below will be useful when answering specific questions in your application. Guide notes have not been provided for those questions where the answer is apparent.

Eligibility	
Page i	<p><b>Has your organisation already purchased any of the equipment/infrastructure for which you are applying for in this application?</b></p> <p>Grant funding is only available for new or enhanced equipment and infrastructure. Funding is not available for equipment you have already ordered or purchased.</p>
	<p><b>Legal status of your organisation.</b></p> <p>Only local government, businesses/private industry that are experienced in waste management and/or organics processing are eligible to apply for this stream of the Organics Infrastructure (Large and Small) Grants Program. Grants are not available to individuals or sole traders.</p> <p>Refer to page 3 of these guidelines regarding the eligibility.</p>
Application details	
1	<p><b>Project title and duration.</b></p> <p>This is the title of your project and will be used on all promotional material, on the website, funding deed and any other relevant document. It should be short and no more than 68 characters long.</p> <p>Provide the proposed start and end dates for the project.</p>
	<p><b>Funding requested.</b></p> <p>Grant amount requested.</p>
2	<p><b>Project summary.</b></p> <p>Provide a 100-word summary of your project. This should be succinct, summarising clearly the main activities and outcomes that you want to achieve. This summary will be used to promote your project on the Environmental Trust website and in media releases. Think of it as a punchy plain English statement that explains to an external audience what the project is about and the benefits it aims to deliver.</p> <p>Project X is about...      It's important to do because...      When it is finished the project will...</p>
3	<p><b>Project location.</b></p> <p>Give the name and address of the site where the equipment or facility will be located. If you do not own the site explain your lease arrangement e.g. when does your lease expire, is it conditional on a council tender?</p>
4	<p><b>Geographic reach.</b></p> <p>List the local government areas and state electorates where the project will occur. For example, if processing occurs on multiple sites or material is sourced from multiple local government areas.</p>
5	<p><b>Primary contact details.</b></p> <p>The person that may be contacted before, during or after the project for additional information, updates on progress etc.</p>
6	<p><b>Management Structure.</b></p> <p>Details of key individuals: List the main people involved in managing and implementing the project. Experience in similar projects and support/involvement of senior management is beneficial. For larger projects this should be demonstrated through attachment of CVs or letters.</p> <p>Years trading: this is not required for government organisations</p> <p>Number of personnel: this figure gives an indication of resources to potentially add value to the project, be impacted by the project or the size of the project relative to the total size of the organisation.</p>

7	<p><b>Contact details for partners (if applicable).</b></p> <p>If you are applying as an individual organisation, only complete question 5.</p> <p>For partnership projects, the primary contact listed in question 5 is from the organisation appointed to act as the lead grant applicant. The lead grant applicant must act as administrator of the grant program including signing the funding agreement and submitting milestone and financial reports.</p> <p>A letter from each partner (or a MOU), confirming participation, roles, responsibilities and funding contributions must be submitted with the grant application.</p>
8	<p><b>Has your organisation previously received EPA, OEH or NSW Environmental Trust funding?</b></p> <p>Only include grants your organisation received within the last five years. Your grant application assessment will include consideration of how well previous grants were implemented.</p>
9	<p><b>Insurance.</b></p> <p>Provide details of your insurance as it is a condition of your grant that you have adequate insurance cover including public liability insurance of \$10 million, workers compensation and volunteer insurance.</p>
Licensing and compliance history under NSW Environment Protection laws	
10-12	Refer to page 8 of these guidelines regarding Compliance with NSW environment protection laws.
Project details	
13	<p><b>Payment and milestone schedule.</b></p> <ul style="list-style-type: none"> <li>Complete this part of the application form once you have completed Part B: Application Budget, and Part C: Project Plan.</li> <li>Provide the amount you are seeking from the Environmental Trust in the 'total funding requested' box. The total funding requested cannot exceed \$3 million.</li> <li>For most projects, the first instalment amount will be 10 per cent of your total funding amount requested, the second and third instalments should total 40 per cent and the final instalment should be 50 per cent.</li> <li>Provide the milestone dates you expect to achieve milestone two, three and four. Milestone 1 should be approximately January 2018. The project must commence within one months of signing the funding agreement with the aim to have all equipment installed and commissioned by January 2020.</li> <li>Milestone 2 will be the date you expect to complete the facility design, and detailed costing.</li> <li>Milestone 3 will be the completion of the facility construction.</li> <li>Milestone 4 will be project completion and submission of the final grant report to the Trust with at least six months of processing data.</li> <li>Milestones will be linked to the Trust reporting and milestone payments. These dates should be based on your in-house planning and the length of time you estimate to implement these key stages of your project.</li> </ul>
Project description	
14	<p><b>One page overview.</b></p> <p>Provide a maximum one page overview of your project. You need to explain a little of the context, what type of business or organisation you are and why you are seeking to develop this project. You need to explain where the waste comes from, what sort of quantities, how it is currently managed and how you intend this project to change that management. Describe briefly the equipment or infrastructure that you wish to purchase, explain how it will be used and explain what will happen to the material that results from the process.</p>
Criterion 1: Capacity, throughput and market analysis	
15	<p><b>Processing capacity and throughput.</b></p> <p>Funding is available for new or enhanced facilities therefore the description of how much organics you currently handle on the site may be x tonnes or 0 tonnes.</p> <p>Facilities that are not currently at capacity are eligible for grant funding where demand for increased capacity is well documented in the market analysis question responses.</p>

16	<p><b>What is the estimated capacity of your facility once the grant project has been completed? What is the estimated throughput six months after construction of the additional capacity? Describe the timeline of additional throughput.</b></p> <p>Preference is for additional processing capacity and throughput to be available as soon as possible. However, it takes time to build and commission new infrastructure and some types of organics may take longer to contract than others. For example, domestic garden organics processing is often tendered for seven to 10 years so a facility may see large jumps in input material when contracts are awarded, whereas commercial food waste inputs are built up slowly over time with many small short term contracts</p>
17	<p><b>If the project site currently handles organics recovery, list the existing arrangements for supply of organics.</b></p> <p>Include descriptions of contractual arrangements or agreements, suppliers, dates of when the agreements commenced, dates of when the agreements end, and provisions for renewal. This information helps establish that the existing facilities and services (that the grant project intends to expand) are viable and won't adversely impact on the expansion plans.</p>
18	<p><b>Provide information on the expected supply of the additional/new organics.</b></p> <p>Include a description of where you expect to obtain the additional organics, how much each supplier will provide, where these organics currently go, what charge you expect these suppliers to pay, why they will use your new service for this cost and any negotiations/ discussions that have already taken place.</p>
19	<p><b>Describe the competition that currently exists in the market for the source material that you propose to accept as part of this project.</b></p> <p>Provide a general description of how your project fills a need rather than competes with existing facilities/services. Check the Environmental Trust website for listings of previous Stream 1 grant recipients to ensure funding has not already been allocated to address the processing need you have identified. Where the project involves processing of municipal waste include a reference to the local or regional waste strategy (where available) and any discussions you have had with councils and processors in the locality.</p>
20	<p><b>Provide information on the expected end products of your processing operation and the demand/market for these products.</b></p> <p>Describe the end products of your processing system and explain why there will be a demand for your end products. Describe who you expect will use these recovered resources, the price you expect for this product or service, whether you are replacing a different product or service, and the standards that need to be met to ensure there is demand for your product.</p> <p>Refer to pages 8 and 9 of these guidelines for more detail on resource recovery exemptions and orders. Which resource recovery exemption and order is applicable to your end products?</p>
21	<p><b>Considering the last three years, demand for the recovered resource are increasing, decreasing, fluctuating, stable?</b></p> <p>Describe the trend in the market demand for the product you are producing by ticking the appropriate box. You may also include a comment for example on the future anticipated trend, price, work locally to create market demand etc.</p>
Criterion 2: Technical analysis, licensing, approvals and best practice	
22	<p><b>Describe your current facility/site.</b></p> <p>Give a general description of the processes currently occurring on and near your site. The grant project may be enhancing the current process or be a new process on an existing site and may need to work compatibly alongside these existing activities.</p>
23	<p><b>Describe the organics processing method.</b></p> <p>Give a general description of the process from receiving organics on site to removal of finished products off site. Include methods to be utilised for decontamination, pasteurisation, maturation and finishing to ensure outputs meet resource recovery exemptions.</p>
24	<p><b>List the infrastructure and equipment you intend to purchase.</b></p> <p>Provide a detailed list and description of the technology/process/equipment you consider meets your needs. Include information about reference sites in NSW, Australia or elsewhere.</p> <p>If you are applying for equipment for only one stage of the organics treatment process, include here a detailed justification of how the equipment increases the operational capacity of the facility and/or will lead to increased diversion from landfill. For example, equipment for treatment of oversized material remaining after initial composting would need to include proof that the oversize is currently landfilled. Equipment that only increases financial viability of existing processing and doesn't contribute to the aims and objectives of this grant program is not eligible.</p> <p>As previously stated, applicants that are purchasing goods or services from related entities will not be eligible for funding unless they can prove to the satisfaction of the Trust that any financial benefit is given</p>

	on terms that would be reasonable in circumstances where the parties are dealing at arm's length or on terms that are less favourable to the related party.
25	<p><b>Detail the analysis that has been undertaken in selecting this specific infrastructure and equipment.</b></p> <p>In your description include information on why the infrastructure and equipment is suitable for the type of organics and volume of organics involved in your project; your facility and your staff. Have you considered operating costs and skills, maintenance needs, odour and quality control, Workplace Health and Safety (WHS) considerations in selecting the equipment? What other types of infrastructure/equipment was considered and why was it ruled out?</p>
26	<p><b>Management Systems.</b></p> <p>Describe the management systems you have in place and how they are reviewed and updated. Quality, environmental management and work health and safety systems provide some assurance that the project will not result in harm to human health or the environment. Safe operation of equipment, odour control, temperature control and contamination management are particularly important for food and garden processing. Indicate the systems you have in place by ticking the relevant boxes. Also describe the systems you have in place and how the systems are reviewed and improved.</p>
27 and 28	<p><b>Detail the licensing and approvals needed for your project, and steps you have taken to obtain the necessary approvals.</b></p> <p>Development consent, environmental protection licences and other approvals are often required for location and operation of infrastructure especially facilities processing large volumes or organic wastes received from off-site. Early and ongoing consultation with the relevant authorities is part of good project planning and can help ensure projects are not inadvertently delayed.</p> <p>Under this grant program the project must start within two months of signing the funding agreement, and the additional processing capacity constructed and commissioned by January 2020. Note commencement is not necessarily on-ground action, it may include actions such as detailed design, negotiation of approvals or ordering of equipment.</p> <p>Describe the licences and approvals needed for your project, the consultation undertaken to ascertain what licences and approvals are necessary and the existing approvals and licences (if any). Also describe the steps taken to date to ensure the necessary approvals (including but not limited to development consent and Environment Protection Licence) will be in place in line with your project plan. Include in your description any environmental or engineering investigations, meetings or correspondence.</p> <p><b>Note:</b> you are strongly encouraged to speak to the local EPA office and council about your project prior to submitting your grant application.</p>
29	<p><b>Describe any existing reputation/relationships with stakeholders.</b></p> <p>Proponents expanding existing facilities may have existing relationships with stakeholders such as neighbours with regard to local issues including traffic, odour or general operation of the site. Proponents operating similar projects at other sites may bring with them a reputation and experience in best practice that is helpful in establishing new projects. Describe these situations and how they may impact on the proposed project.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>The existing facility has intermittent odour complaints from neighbours. The expansion and upgrade has been discussed with the neighbours and includes a shed and bio-filter to control odours in the receivables area. The advertised amendment to the development consent has received no objections.</li> <li>&lt;name&gt; has three similar operations in other parts of the state and has received industry awards for best practice. Site visits to these existing facilities by stakeholders has been useful in explaining what is proposed for the new facility. The development application will be formally advertised next month.</li> </ul>



30

**Use a cost benefit analysis (economic) and financial analysis to support your proposal. Provide an overview here and attach your spreadsheets.**

All applicants are required to submit a financial analysis of their project to ensure that approved projects will provide value for money for the government, deliver public benefits, will deliver significant resource recovery outcomes and are financially viable.

Applicants requesting more than \$500,000 of funding must also undertake a cost benefit analysis (economic analysis). The level of detail and analysis will depend on the amount of grant funding sought for your project. Ensure your analyses are consistent with information provided in other sections of your application, budget and project plan.

Assistance and/or peer review of your cost benefit analysis (economic) and financial analysis is available through the Business Case Advisory service offered with this grant program.

Your cost benefit analysis and financial analysis should:

- Identify the objective of your project, options you considered and any consequences. For example, an objective of increasing the quantity of material composted at a site could be addressed by pushing material through quicker – resulting in possible quality and odour issues
- Identify the business-as-usual scenario, namely what would happen if the funding is not received
- Identify different technologies – continuing open windrow or upgrading to forced air or tunnel composting – your choice and the reasons for your choice must be described in questions 24 and 25.
- Identify any staged expansion – your cost benefit analysis, financial analysis, market analysis and technical analysis should demonstrate whether staged expansion is appropriate and how it would be staged
- Include all relevant economic and financial costs such as capital, electricity, fuel, staff, maintenance, and licensing costs. Include a provision for contingencies, and identify community costs. The economic analysis should also consider broader costs, for instance
  - If the material has to be transported a longer distance this may increase the transport related capital and operating costs. These incremental costs should be included in the analysis.
  - Increased throughput may result in community costs, such as lost amenity due to traffic movement or odour issues. Community costs such as increased traffic may not be able to be easily converted to a dollar value. For these costs identify the items in your cost benefit analysis and describe them in more detail in questions 37 and 39.
- Identify the economic and financial benefits to you and the community. For example, an increased capacity to process organics may lead to increased income in gate fees (financial analysis), avoided landfill gate fees (cost benefit analysis) and sale of compost (both). There may also be other benefits that can be included in the cost benefit analysis such as local jobs, improved amenity, quality and odour benefits. Where these benefits are hard to convert to a monetary value identify the items in your cost benefit analysis and describe them in more detail in questions 37 and 39.
- Use an analysis period that reflects the life span of the main piece of infrastructure, e.g. 20 years to give the overall net benefit
- Report the following results for the cost benefit analysis:
  - Incremental net present value (NPV) – the sum of the discounted project benefits less discounted project costs for the scenario incremental to business-as-usual. A discount rate of seven per cent should be used. A NPV of greater than zero is required. (Note grant funding should not be included as a benefit in the economic analysis as it is not an economic benefit it is a wealth transfer. Grant funding should only be included in the financial analysis as it is revenue stream).
  - Benefit cost ratio (BCR) - the ratio of the present value of incremental benefits to the present value of incremental costs. A discount rate of seven per cent should be used. A BCR greater than one is required.
  - Internal rate of return (IRR) - the discount rate at which the net present value of the project is zero.
  - Sensitivity testing to show the impact of changing key assumptions, e.g. using discount rates of four per cent and 10 per cent, varying the capital and operating cost assumptions, varying the assumed volume projections and sale price of the compost output.
- Report the following results for the financial analysis:
  - Financial viability i.e. the present value of revenue must be greater than or equal to the present value of costs over the analysis period.
  - Confirm that the applicant can resource any years when the project costs exceed the revenue (e.g. through cash reserves or other funding)
- Document all data sources, references and assumptions.



	<ul style="list-style-type: none"> <li>• Provide electronic copies of the costs benefit analysis and financial analysis spreadsheets with all calculations included</li> </ul> <p>For further guidance on conducting a cost benefit analysis and financial analysis, applicants should refer to NSW Treasury's NSW Government <a href="#">Guidelines for Economic Appraisal (TPPO7-5)</a> and <a href="#">Guidelines for Financial Appraisal (TPP07-4)</a>.</p>
31	<p><b>Detail the operational life-span of the infrastructure and equipment.</b></p> <p>Describe the age of the equipment you intend to purchase and the estimated useful lifespan. Do you have maintenance, replacement and upgrade strategies to ensure the ongoing life of your project?</p>
32	<p><b>Explain why this project would not go ahead in the near future without funding from this program.</b></p> <p>Funding will not be provided for activities which would occur without the support of this grants program, including those sufficiently cost-effective to implement without funding.</p> <p>Describe why this project would not proceed without funding assistance or how the funding would enable the project to be brought forward.</p> <p>For applicants where the cost savings from the project will accrue to the organisation, the following questions should be answered:</p> <ul style="list-style-type: none"> <li>• What is your estimated annual increase in revenue and/or reduction in expenses?</li> <li>• Incorporating these revenues/expenses, how does the payback period or internal rate of return for the project relate to your organisation's usual hurdle rates for project investment?</li> <li>• Have other forms of finance been considered for part or the entire project? If not, why not? If it has been rejected, what was the basis for this decision?</li> </ul> <p>For projects where there are no financial barriers to proceeding, or where cost savings from the project will not accrue to the organisation, state:</p> <ul style="list-style-type: none"> <li>• What are the non-financial barriers to implementing the project?</li> <li>• How will the funding assistance help the project proceed?</li> </ul>
33	<p><b>Resources from other sources.</b></p> <p>List any other grants or payments you (the applicant and partners listed in this application) have/will receive relating to this project, that the Environmental Trust, NSW EPA and other state or commonwealth agencies have/will issue.</p> <p><b>Note:</b> This grant will fund additional infrastructure above existing commitments. However, it will not fund work that would have been undertaken as part of agreed commitments or existing programs.</p>
34	<p><b>Describe how your project is delivering good value for money.</b></p> <p>Describe why this project will deliver good value for the government investment.</p> <p>In your description include calculation of grant dollars per kilograms or tonne additional processing capacity and total project cost per kilogram or tonne of additional processing capacity per year.</p>
Part B	<p><b>Part B: Application Budget.</b></p> <p>This part of the application is a separate Excel document which can be downloaded from the Trust website. This document is where you will be required to enter in your full budget, including all sources of income and all source of expenditure.</p> <p><b>Eligible grant items (cash and in-kind contributions).</b></p> <p>Grants between \$25,000 and \$5,000,000, covering up to 50 per cent of the capital costs relating to the infrastructure and equipment, are available. Only include eligible grant items in the funding request – by referring to the 'what will be funded'.</p> <p>Provide as much detail and breakdown as possible in your budget and follow the budget instructions contained within the excel form. It also provides information regarding budget breakdown, and the number of quotes for different sizes of equipment/project elements. A detailed budget and quotes help you demonstrate to the TRC that your grant request is reasonable, and that you understand all the costs and elements of a successful processing operation. Although quotes for all pieces of equipment and multiple quotes for larger pieces of equipment are not mandatory at the application stage, if your application is successful, quotes and invoices will be required to be submitted during the implementation of the project.</p> <p><b>Note:</b> the amount requested from the Trust cannot be increased once awarded. However, there is some scope to apply for a budget variation between approved line items in your budget. For example, one piece of equipment may be cheaper than expected and another is slightly more. Transfer of funds across line items is permitted with prior approval from the Trust.</p> <p>Budget line labelled 'contingency' or 'fixed percentage' of the overall project are not eligible for funding.</p> <p><b>Additional contribution – ineligible grant items (cash and in-kind contributions).</b></p>

	<p>Provide details about cash or in-kind contributions to <b>ineligible</b> grant items. Even though you cannot claim for grant funding for ineligible items, including them here on a separate tab enables the TRC to consider additional benefits of your project and additional resources you are contributing to it.</p> <p>You can include items that are listed under the 'what won't be funded' section of these guidelines such as expenses relating to staff, project management or operating food collection vehicles. Contact the EPA to clarify if you are uncertain.</p> <p><b>Note:</b> This additional contribution cannot be counted as part of your 50 per cent contribution to matched funding. This 50 per cent contribution must only be eligible items.</p>
<b>Criterion 4: Demonstrated ability to deliver the project to a high standard</b>	
<b>35</b>	<p><b>Project measures table.</b></p> <p>The project measures included in this table offer a range of baseline data and target measures that are meant to help you record, monitor and guide the outcomes of your project. The table captures projected quantitative data for your project. If you are successful in receiving a grant, its performance will be measured against actual (or achieved) quantitative data for each stage of your project.</p> <p>Data provided in this question should correlate with outputs detailed in Part C: Project planning, including risk management.</p> <p><b>Why:</b> The project measures table allows you to demonstrate what outputs will be delivered as part of your project. In this way, it can become a kind of quick ready reckoner for you to check how the project is tracking against the projected measures. The Trust can use this information to help support all our grant recipients as we review the outcomes of their projects. The Trust can combine project measure data received to build a broader picture of the achievements across all our grants programs.</p> <p><b>Note:</b> Measures that are highlighted as Mandatory must be included.</p> <p><b>How:</b> It is recommended that you read through the table and definitions to select project measures that are relevant to your project.</p> <p><b>Note:</b> Only nominate project measures that relate to your project, making sure you include those marked as Mandatory which are applicable to all projects. Once you have provided data projections for the mandatory and the relevant project measures, the other measures can be left blank.</p>
<b>36</b>	<p><b>Outline the staff training that will be undertaken to ensure the new facility is operated well.</b></p> <p>It is a condition of eligibility that businesses/private industry (as defined by the Corporations Act) must be experienced in waste management and/or organics processing. However, the new facility/process may require further skills or councils may apply who have limited experience in organics processing.</p> <p>Outline how you plan to acquire the new skills and ensure that all staff are well trained. This may include staff undertaking the online Compost Facility Management training being developed by the NSW EPA and expected to be available free of charge from August 2017.</p>
<b>PART C</b>	<p><b>Part C: Project planning, including risk management.</b></p> <p>This is a separate Word document which can be downloaded from the Trust website. This document is where you will detail your project objectives, outcomes, risks, tasks etc. All sections of the template should expand. Part C: Project planning definitions can be downloaded from the Trust website as a guide.</p> <p>Ensure you include a detailed risk management plan as well as detail of the resources and skills to undertake the projects. This document is particularly important in demonstrating to the Technical Review Committee that there is genuine intent to have infrastructure and equipment installed and commissioned by January 2020, with a minimal risk of delay.</p>
<b>Other supporting information</b>	
<b>37</b>	<p><b>It is expected that the project will implement best practice in sustainability, detail how you intend to achieve this. Also, detail any other benefits of the project in particular, 'Triple Bottom Line' outcomes.</b></p> <p>Best practice can be defined as being mindful of the 'big picture' in designing and implementing a project. This could include the use of recycled materials, supporting local businesses, harvesting rainwater, site landscaping, and selection of energy efficient equipment and processes.</p> <p><b>Environmental</b> Describe your organisation's commitment to the implementation of the environmental sustainability in this project and any associated actions already implemented, or intended to implement, including reference to local strategies, policies or plans. For example, diversion of material from landfill, less methane produced at landfill, beneficial use of outputs. Include in your description when these benefits will be realised and for how long.</p> <p><b>Economic</b> Examples include new jobs, resources kept within the economy, avoidance of costs. Include in your description when these benefits will be realised and for how long. Include a description of the reductions in gate fee charges to councils or savings to households.</p>

	<p><b>Social</b></p> <p>Examples include strengthened local communities, jobs for disadvantaged people, and increased awareness of the value of organics. Include in your description when these benefits will be realised and for how long.</p>
38	<p><b>Declare any real, potential or perceived conflict of interest that you may be aware of.</b></p> <p>This can relate to land ownership, salary and/or contractor payments. Applicants are required to declare any real, potential or perceived conflict of interest (COI) that they may be aware of in relation to the awarding of a grant, particularly where:</p> <ul style="list-style-type: none"> <li>the project for which funds are being sought is to be undertaken on private land where that land is owned by a member or members (or relatives) of the organisation applying for the grant</li> <li>members, or relatives of members, of the applicant organisation are being paid for supply of equipment or construction material with Trust funds</li> <li>members, or relatives of members, of the applicant organisation are being paid as contractors with Trust funds</li> <li>works carried out by the project could create current or future financial or other benefit for members of the organisation applying for the grant, or their relatives</li> </ul> <p>Such circumstances do not exclude the project from being funded, however they do need to be acknowledged as a potential COI. The Technical Review Committee will assess each situation on its merits and environmental need.</p>
39	<p><b>Community Benefit. Detail how this project will specifically benefit the local community it is in and the broader NSW community.</b></p> <p>Include information such as:</p> <ul style="list-style-type: none"> <li>Additional jobs both during construction and ongoing operational.</li> <li>New or expanded waste services.</li> <li>Sale of new products from recovered materials.</li> <li>Procurement of goods and services including communications, advertising, technical, financial, transport etc.</li> </ul> <p>You will need to be able to demonstrate these outcomes as the project progresses.</p>
40	<p><b>Third party assistance. List all the people/organisations who have contributed to the information in this application.</b></p> <p>Include other divisions or units within council and outside consultants. Ensure that you have a full understanding of, and can substantiate, the information supplied for your specific situation as you may be required to explain or expand on the details of your project. Please note that should you engage outside consultants they will need to provide details of all other WRLM programs/projects they have worked or are currently working on. In general, it would be expected that consultants engaged to assist in the development of the grant application would not be eligible to apply for contracts under the approved project, as they could have an unfair advantage in a competitive tender process.</p>

### Additional resources

The Trust strongly recommends that you consult with the EPA on (02) 9995 6876 to discuss your project ideas, and for assistance with your application.