

Floodplain Management Program Grant Application Guidelines 2012–13

The NSW Government provides technical and financial support to local government under the Floodplain Management Program (the Program) to manage flood risk. The Program is administered by the Office of Environment and Heritage (OEH). The primary objective of the Program is to support the implementation of the NSW Flood Prone Land Policy, which aims to reduce the impacts of flooding and flood liability on communities and to reduce private and public losses resulting from floods, using ecologically positive methods wherever possible.

The NSW Government recommends that local government manage its flood risk by following the floodplain risk management process outlined in the *Floodplain Development Manual* (2005).

Important changes to grant processes for 2012–13

The Program will move to a project-based framework from the 2012–13 financial year, with applicants able to apply for the entire funding for a stage of a project (not just an annual amount).

This new framework, similar to that of the Coast and Estuary Management Programs, will provide greater certainty to applicants on what is being funded and will reduce red tape as applications, work plans and acquittals will be for a whole stage rather than annually. It is being implemented in response to stakeholder feedback and recommendations from an independent audit and internal OEH review of the Program.

To transition to this framework, applicants will be able to apply in 2012–13 for the remaining funding needed to complete the current stage of any existing project (even if funding is needed beyond 2012–13).

Applications will need to outline project progress and expenditure to date and provide evidence of an ongoing contractual commitment or an explanation of how they are inextricably linked to the current stage of the project. For example, the stage may be for a specific flood study that is continuing, but only a component of the flood study has been contracted so far.

Further details on the changes for 2012–13, including specific questions and answers, are available in the *NSW Floodplain Management Program Proposed Changes to Grant Administration – Fact Sheet*, available at www.environment.nsw.gov.au/resources/water/coasts/120195GrantFS.pdf.

Who can apply for funding?

Local councils, county councils or other government bodies with equivalent floodplain risk management responsibilities (e.g. Hunter–Central Rivers Catchment Management Authority, Lord Howe Island Board) can apply. Applicants must have a valid Australian Business Number (ABN).

What will be funded?

Applications can be made for the following independent project stages:

- **Stage 1** – flood study (including data collection)
- **Stage 2** – prepare or review floodplain risk management study and plan
- **Stage 3** – investigation, design and/or feasibility study for works identified in a floodplain risk management plan (where required); this stage *must* be undertaken for any works projects that are likely to exceed a total project cost of \$500,000
- **Stage 4** – implementing actions identified in a floodplain risk management plan, including but not limited to:
 - structural works such as levees, detention basins, flood gates and flow conveyance improvements
 - flood warning systems
 - evacuation management
 - voluntary house raising
 - voluntary purchase.

If it is likely that a project will progress from one stage to the next within the 2012–13 financial year, lodge an application for each stage.

Funding for successful applications may be provided under the NSW Floodplain Management Program or the jointly funded NSW and Commonwealth governments' Natural Disaster Resilience Program.

What is not eligible for funding?

Funding will not be provided for:

- GST – the project cost will exclude GST
- retrospective projects – funding is not available for projects which are currently under way (that are not a stage of a previously approved project) or have been completed
- administration costs – unless otherwise approved in writing by OEH, all internal costs, including on-costs, associated with the core activities of a council are ineligible for funding; a council's core activities include preparing study briefs, reviewing proposals and tenders, researching and copying records, attending meetings, contract and grant administration, accounting costs, and liaising with the public and with government agencies
- non-monetary contributions as matching funds – a council's matching funds must be in the form of monetary contributions, and cannot include in-kind or voluntary contributions
- contingencies – these should not be included in the application
- projects reasonably expected to be undertaken by the applicant without financial assistance from the program.

Funding priorities for 2012–13

Generally, highest priority will be given to:

- 1 completing the current stage of an existing project which has been funded
- 2 the next stage of a mitigation work that is integral to a stage in progress; for example, works to offset the impacts from a levee project being constructed
- 3 flood studies or floodplain risk management studies and plans (or reviews), with the highest priority given to those in areas with significant development pressures or for incorporating sea level rise and its impacts in areas surrounding the tidal portions of coastal waterways.

Note that 1 is the highest priority.

What applicants will need to contribute

Assistance under the Program is usually \$2 from government for every \$1 provided by the applicant. However, where the applicant considers that the cost of the project stage is large, relative to their financial resources, they may wish to apply for consideration of exceptional circumstances. This may enable access to an increased government contribution towards the cost of the project. The applicant's financial capacity will be assessed considering its per capita general purpose grants under the Local Government Financial Assistance Grants, as established by the Local Government Grants Commission.

Note that the applicant's share of funds cannot include funds received under other grant programs.

Project implementation timeframe

OEH receives an annual funding allocation for the Program, with limited capacity to carry over funds to future financial years. Consequently, projects should be staged (as outlined under the section 'What will be funded', above) and a stage should be completed within three years of the grant offer. If the project stage is likely to extend beyond three years, consider further staging the project. For project stages that are not completed within three years of the grant offer, the applicant must justify why the grant should not be terminated.

Funding agreements

Successful applicants will be required to enter into a performance-based funding agreement which stipulates all funding obligations and conditions. The funding agreement is for the entire project stage (not just one year). The agreement will need to be duly executed by the applicant's general manager (or delegated authority) within 45 days of the Minister for the Environment's formal grant offer.

A sample funding agreement is available at
www.environment.nsw.gov.au/resources/water/coasts/FAFloodSAMPLE.doc.

Applicants should consider the conditions in the agreement before submitting an application.

Assessment process

Applications will be initially checked to confirm eligibility and completeness. Ineligible or incomplete applications will not be assessed.

Eligible applications will then be assessed by technical OEH staff against the assessment criteria listed below. An independent panel, involving representatives from other relevant agencies and stakeholder groups, will then assess and prioritise applications on a statewide basis.

The Minister for the Environment will approve all grant offers.

All applicants will be notified in writing of the outcome of their application.

A list of successful applicants will be placed on www.environment.nsw.gov.au/coasts/InfoCoastEstFloodGrants.htm.

Assessment criteria

Essential criteria

All applicants must be able to demonstrate:

- the project stage meets the objectives of the Floodplain Management Program
- their capacity to deliver the project stage, having regard to its past grants management history, available resources and financial commitment, proposed timeframe, and whether it is realistic based on completion of prerequisite consultant briefs, preconstruction work or approvals
- the floodplain risk management process outlined in the *Floodplain Development Manual* (2005) has been followed.

Projects need to meet all three essential criteria to be eligible for funding.

Other criteria

Applications will also be assessed on:

- the extent to which the project stage cost effectively addresses one or more of the Program's priorities
- the technical feasibility, effectiveness and efficiency of risk mitigation solutions
- the level of state or regional significance, including the immediacy of any threats
- the level of community support
- for works, the outcomes of ranking based on the scoring system endorsed by the Floodplain Management Association (see New Works Ranking Form and 'Instructions on completing the application form' below for more details)
- the priority of the project stage with regards to the relevant adopted floodplain risk management plan (if applicable).

An application will be given a reduced ranking if it is not well thought out or has unclear objectives or outcomes.

Contact details for OEH staff and details on how to submit an application are at the end of this document.

Instructions for completing the application form

Separate application forms must be completed for each project stage.

Applications that are incomplete or do not provide the necessary level of detail to facilitate an adequate assessment of the project stage against others on a statewide basis will be considered ineligible for funding.

Project stages which cannot be demonstrated to meet the objectives of the Floodplain Management Program will be considered ineligible for funding (see 'Essential criteria' and 'Other criteria' above).

Lodging an application for financial assistance does not guarantee assistance will be offered.

These explanatory notes correspond to the items on the application form.

1 Applicant's name

The applicant must be a local council, county council or equivalent government body providing floodplain risk management support to local communities (e.g. Hunter–Central Rivers Catchment Management Authority, Lord Howe Island Board).

Applicants must have a valid ABN.

If you have a project partner(s), attach a letter of support from that organisation, which also outlines details of the partner's financial commitment to the project.

2 Project stage name

Provide a title for the project stage in 80 characters or less. If your application is successful, this project stage name will be used on the grant documentation and for promotional purposes. The title should be self-explanatory and, where possible, include the location name.

3 Project stage and category

The applicant should indicate the stage and category of the project stage they are applying for in accordance with the list on the form. Only *one* box should be selected.

If it is likely that a project will progress from one stage to the next stage within the 2012–13 financial year, you should lodge an application for each stage.

Note that each individual flood study or plan should be considered a separate stage and therefore a separate application should be made.

If there is any uncertainty about the best category to use, contact OEH.

4 Previous funding for this project

As part of the transition arrangements for the new funding framework, applications in 2012–13 will need to be made to complete the current stage of any existing project which has been funded. To receive priority as an existing project you need to provide details of:

- total project cost
- total project expenditure to date (council and government contributions)
- grant funds received to date (including for 2011–12)
- project progress to date
- remaining grant funds required to complete the current stage

- an ongoing contractual commitment for this stage (e.g. by attaching a letter of contractual engagement for the current stage of the project) or how this project is inextricably linked to the current stage of the project (e.g. the stage may be for a specific flood study, but only a component of the study has been contracted so far).

If the project has not commenced (i.e. no grant funds have been expended), answer 'no' to this question).

If previous project funding covered multiple flood studies, answer 'yes' to this question only if the flood study which is the subject of this application has commenced.

5 Project stage timeframe

The applicant should list the expected commencement and completion dates for this project stage only. For existing project stages this is the actual date of commencement. For new project stages it is the expected date of signing the funding agreement. See 'Project implementation timeframe' above for information on the maximum timeframe for a stage.

6 Project location

Describe the geographic extent of the project including, for example, town, latitude, longitude, river, creek or other landmark. If possible, attach a locality diagram or map.

Use the relevant state *and* federal electorates.

Information on the LGA, state electorate, CMA region and catchment are required for Program reporting purposes. They will not be considered as part of the assessment process.

7 Budget overview

Provide a breakdown of estimated project stage expenditure on a financial year basis. This should be consistent with the more detailed budget outlined in the attached preliminary work plan. For existing project stages, include the remaining funds required to complete the current stage of the project only. This should be consistent with the amount noted in question 4.

8 Financial commitment to the project stage

The applicant should indicate whether they are able to provide the required matching funding for the project stage, and if the project stage has been identified in their forward budgets.

9 Exceptional circumstances

Applicants normally contribute \$1 for each \$2 of grant funding. If an applicant is unable to fund their matching contribution, they can apply for exceptional circumstances. Councils need to justify their application for exceptional circumstances.

Applications for exceptional circumstances will be considered on the basis of the scale of the project stage and an applicant's financial capacity to fund it, taking into consideration the council's per-capita general purpose grants under the local government financial assistance grants, as established by the Local Government Grants Commission. For existing project stages, the current funding ratio will continue to apply.

10 Project summary

Provide a succinct summary of the project (maximum of 150 words) for promotional and media purposes. This should include an overview of the project including project location, the issues the project will address, expected outcomes and how these will be achieved.

11 Other grants at this location

Provide details of any previous grants received for similar projects at this location in the last 10 years. This should include funding under any NSW or Commonwealth government grant programs. Indicate if the grant is ongoing or finalised.

12 Other funding sources

Provide details of any current or planned proposals for accessing funds from other funding programs for this project or components of this project. Include information about the funding program, the project scope and budget, the indicative timing of the project and proposal, and any impacts such proposals may have on this application.

Skip questions 13 to 22 if you have answered 'yes' to question 4.

13 Flood history and studies

Provide a brief description of the flood history of the project area and any information about the severity of previous floods, and the damages and losses incurred (e.g. evacuation required, essential services at risk of failure).

If applicable, list any relevant studies undertaken to quantify the flood risk or to develop the proposed mitigation works or measures (e.g. flood studies, floodplain risk management studies). For implementation project stages, state whether the project stage is identified as a priority on the adopted floodplain risk management plan for the location.

14 Regional or state significance

Outline why the project stage is of state or regional significance.

15 Why is funding required?

Explain why this project stage would not proceed without funding.

16 Project stage objective

The objective should be about the issue or problem to be addressed and ultimately what the project stage is to achieve. A strong objective should be:

- specific about what is to be achieved
- measurable
- achievable
- realistic
- time bound.

The standard format for an objective is 'To [action verb and statement reflecting a measurement indicator] by [performance standard] by [deadline].' An example is 'To reduce the number of houses affected by a 1-in-20-year flood event by 70% by 2015'.

17 Project stage outcomes

The project stage outcome is the broad effect or benefit of the project stage. Outcome statements often use words like increase, decrease, improve, expand, update, upgrade, maintain, start or complete. Outcomes should be specific, measurable and realistic, for example reduced risk from flooding, engaging the community in floodplain management, improved management of [issue].

18 Project stage outputs

The outputs are measures of project stage activities – products created or delivered, people served and activities or services carried out, for example:

- the number of community forums conducted
- the length of levee constructed or rehabilitated
- number of houses raised or purchased
- the number of flood-prone properties with protection measures in place

- the number of flood-prone properties covered by a floodplain risk management study or plan
- a management plan developed
- guidelines to manage future growth strategies
- flood intelligence for local flood plans.

19 Program's objectives and priorities

Applicants *must* demonstrate how the project stage meets the Floodplain Management Program's objectives and priorities (see 'Assessment criteria' above). Applications that cannot demonstrate this will be ineligible for funding.

20 Floodplain risk management plan

If this project stage relates to a recommended action in a floodplain risk management plan, the applicant should provide details of the plan, the relative priority of the action or recommendation, and whether or not council has formally adopted the plan.

21 Community support

Describe the level of community support and outline the consultation that has been undertaken, or is proposed to be undertaken, to assess the need for, appropriateness of and support for the project stage.

22 New Works Ranking Form

For new works (including structural works, flood warning, evacuation management, voluntary purchase and voluntary house raising) you *must* also submit a New Works Ranking Form to enable ranking using the scoring system endorsed by the Floodplain Management Association. Applicants should contact the relevant OEH officer for information on this scoring. Note that councils may update this form once the investigation and design stage has been completed.

23 Preliminary work plan

The preliminary work plan should outline the project stage's expected milestones, activities, timeline, budget and grant amount sought for each milestone.

24 Capacity to deliver

Applicants *must* demonstrate they have the capacity to deliver the project stage as outlined. The justification should outline the applicant's past grant management performance and their available resources. It needs to show the proposed timeframe is realistic with regard to completing the prerequisite consultant briefs, preconstruction work or approvals. For studies and management plans, the applicant should describe ways in which the council's floodplain management committee will implement the project stage. Applications that cannot demonstrate capacity to deliver will be ineligible for funding.

25 Funding agreement

Applicants *must* enter into a performance-based funding agreement. A sample funding agreement is available at www.environment.nsw.gov.au/coasts/InfoCoastEstFloodGrants.htm.

26 Discussions with OEH

OEH recommends that applicants initially discuss the project stage with OEH staff regarding the overall concept, preliminary cost estimate and eligibility for funding. OEH staff can also provide technical advice on draft applications. Contact details are listed at the end of this document.

New Works Ranking Form

This form assists with the ranking of project stages of new works only and is the scoring system endorsed by the Floodplain Management Association. It should be completed where applicants are submitting an application for a new works project which has not previously been scored or where council would like to update a project's scoring based on improved information.

The New Works Ranking Form includes a number of project assessment sheets.

All applicants are to complete sheets 1 and 2.

In addition, depending on the type of project, complete sheet:

- 3 for **integrated schemes and structural works projects**
- 4 for **evacuation management improvement projects**
- 5 for **flood warning improvement projects**
- 6 for **voluntary purchase and house raising projects**.

Instructions for completing the New Works Ranking Form

Information should be provided in relation to the flood on which the flood planning level is based or, if this is not available, the largest known historical flood.

Sheet 1 provides preliminary data. This is usually available from the relevant flood study and/or floodplain risk management study and indicates the extent of the flood problem to which a community is exposed.

Sheets 2–6 provide detailed and specific data required for project stages seeking funding for floodplain management works. Works include structural works, flood warning, evacuation management, voluntary purchase and voluntary house raising projects. This data is used to determine the effectiveness and efficiency of the project stage in reducing flood problems and meeting associated objectives so these can be compared on a statewide basis.

Project stage assessment sheet 1: All categories of applications

C1. The source of flood information used to answer the questions must be indicated.

Where OEH does not have a copy of the appropriate studies and other documentation such as a review of environmental factors (REF) or environmental impact statement (EIS), as appropriate, a copy will be requested to assist in undertaking an impartial check of the data provided.

C2. Hazard level in area assesses important factors in defining the level of flood hazard in the area, as defined in the *Floodplain Development Manual*.

Questions C3 to C6 provide an outline of the impacts of the flood on the community.

C3. Scale of problem – number of dwellings affected provides an indication of the number of people affected by flooding.

C4. Scale of problem – percentage of dwellings flooded provides an indication of the scale of the problem from a local perspective.

C5. Scale of problem – occurrence of over floor flooding looks at the frequency of damaging flooding and gives an indication of the regularity and therefore the ongoing impact of flooding on the community.

C6. Scale of problem – evacuation requirements indicates the degree of evacuation problems to which the community is exposed.

Project assessment sheet 2: Detailed data – all categories of applications

Detailed data are required for all projects.

- C7. Community involvement in project** investigates the degree of project development in accordance with the principles of the *Floodplain Development Manual*.
- C8. Strategic planning in place** investigates the degree to which strategic planning is being used to control new development and redevelopment in the floodplain.
- C9. Benefit/cost ratio for proposed works** considers the economic efficiency of the project in reducing flood damages.
- C10. Incorporation of environmental considerations and enhancements** examines whether environmental impacts have been considered and whether these have been incorporated in the project. It also indicates whether opportunities for environmental enhancement have been considered and are being implemented as part of the project.
- C11. Environmental assessment for compatibility with ecologically sustainable development (ESD)** considers how the project has dealt with environmental impacts and addressed ESD principles.

Project assessment sheet 3:

Specific data – integrated schemes and structural works only

Integrated schemes are projects that involved a range of structural work components or measures that work together as an integral scheme to provide flood benefits. The benefits of the scheme would generally significantly outweigh the benefits of individual components.

- C12. Average damage per dwelling** examines the existing damage level in the town based on average (determined from actual rather than potential) damage per dwelling that is likely to occur without the proposed management measures.
- C13. Average annual damage per dwelling** examines the cost of flooding per dwelling across a range of floods, not just the planning-level flood. This provides an indication of the long-term cost of flooding to the community.
- C14. Percentage reduction in average annual damage per dwelling** examines the efficiency of the project in reducing damage from a range of events on a per dwelling basis.
- C15. Social improvements resulting from project** examines the degree to which the project has addressed the social impacts previously identified in sheet 1, question C2.

Project assessment sheet 4:

Specific data – projects to improve evacuation management only

- C16. Hazard level (as defined in the *Floodplain Development Manual*)** examines the hazard that exists in the township, the potential for isolation, the logistics of evacuation and the hazard associated with the evacuation route.
- C17. Evacuation management** examines whether external evacuation resources are required and flood predictions are available, how flood ready the community is, whether the State Emergency Service supports the project and whether their support reduces the need for external evacuation resources, i.e. there are fewer people to evacuate, or they can evacuate themselves unassisted.
- C18. Scale of evacuation problem** indicates the number of people requiring evacuation to provide information on the scale of the problem.
- C19. Social improvements resulting from project** examines the degree to which the project has addressed the social impacts identified in sheet 1, question C2.

Project assessment sheet 5:

Specific data – projects to improve flood warning only

- C20. Hazard level (as defined in the *Floodplain Development Manual*)** examines the level of hazard in the community.
- C21. Flood warning** examines the feasibility and likely effectiveness of flood warning projects. These projects must have the support of the Flood Warning Consultative Committee.
- C22. Flood warning – scale of problem** examines the current shortcomings in the existing flood warning system, if any system exists.
- C23. Social improvements resulting from project** examines the degree to which the project has addressed the social impacts identified in sheet 1, question C2.

Project assessment sheet 6:

Specific data – voluntary purchase and house raising projects only

- C24. Average damage per dwelling** examines the existing damage level in the town based on average (determined from actual rather than potential) damage per dwelling that is likely to occur without the proposed management measures.
- C25. Average annual damage per dwelling** examines the cost of flooding per dwelling across a range of floods, not just the planning-level flood. This provides an indication of the long-term cost of flooding to the community.
- C26. Hazard level (as defined in the *Floodplain Development Manual*)** examines the hazard that exists in the township, the potential for isolation, the logistics of evacuation and the hazard associated with the evacuation route.
- C27. Social improvements resulting from project** examines the degree to which the project has addressed social impacts.

Contacts for assistance

Technical enquiries should be directed to:

Region	OEH contact	Telephone
Far north coast (Tweed–Clarence)	Toong Chin	(02) 6627 0233
Mid north coast (Coffs Harbour–Port Macquarie)	Kate Browning	(02) 6627 0215
Hunter/lower north coast	Peter Evans	(02) 4904 2594
Sydney	Sue Ribbons	(02) 9895 6267
South coast	Ben Addison	(02) 4224 4164
North west	Neal Albert	(02) 6701 9624
Central/far west	Siva Varathan	(02) 6883 6503
Murray/Murrumbidgee	Peter Nankivell	(03) 5898 3934

General information on completing the application form(s) or grant administration should be directed to the Grants Program Coordinator at coastalestuary.floodgrants@environment.nsw.gov.au.

Closing date

Applications must be received by **5 pm Wednesday 4 April 2012**.

Late applications will not be accepted.

Lodging the application

Electronic applications are preferred. Completed application forms should be emailed to coastalestuary.floodgrants@environment.nsw.gov.au.

Alternatively, mail your application to:
Grants Program Coordinator
Office of Environment and Heritage
PO Box 3720
Parramatta NSW 2124

Published by:

Office of Environment and Heritage, Department of Premier and Cabinet
59–61 Goulburn Street
PO Box A290, Sydney South 1232

Phone: (02) 9995 5000 (switchboard), 131 555 (environment information and publications requests), 1300 361 967 (national parks, climate change and energy efficiency information and publications requests)

Fax: (02) 9995 5999 TTY: (02) 9211 4723

Email: info@environment.nsw.gov.au

Website: www.environment.nsw.gov.au

ISBN 978 1 74293 545 4
OEH 2012/0186

February 2012