**Murray–Darling Basin Economic Development Program Round 3**

General feedback for applicants

# Overview

As part of our commitment to sharing information with the sector and as an acknowledgement of the time and effort applicants have put into developing applications, the Department of Agriculture, Water and the Environment (the department) is pleased to share this feedback for Round 3 of the Murray–Darling Basin Economic Development Program (the program) competitive grant opportunity.

The funding round for the Programopened 3 March 2021 and closed on 12 April 2021, 9:00 pm AEST.

As with the previous 2 rounds, interest in the third round of the program was high resulting in a competitive round and the full allocation of program funding.

The grant opportunity received 105 eligible applications. Following the decision-maker’s decision, 58 applications were selected for funding, to a value of $33,971,203 (GST exclusive). A list of the successful projects can be found on the  [Department of Agriculture, Water and the Environment website](https://www.agriculture.gov.au/water/mdb/programs/basin-wide/edpgrants).

This feedback is provided to assist applicants to understand what generally comprised a strong application and the content of quality responses to the assessment criteria for this grant round. It provides feedback to applicants on how applications could have been strengthened.

Unsuccessful applicants are encouraged to consider how this feedback applies to their application and, should they wish to apply for any grant funding in the future, are also encouraged to use this information to maximise their chances of gaining funding in other programs. Individual feedback is available to applicants, and details on how to request this is provided in this document.

# Program Background

The Murray–Darling Basin Economic Development Program was announced by the then Minister for Agriculture and Water Resources on 7 May 2018, as part of the Basin Plan Commitments Package, to support those communities identified as impacted by water recovery under the Murray–Darling Basin Plan (the Basin Plan).

The first round of the program identified 15 Basin communities as ‘most impacted’ by water recovery activities under the Basin Plan (as defined by Murray–Darling Basin Authority research) and therefore eligible for funding.

The second round identified 31 communities as eligible for funding, with the communities eligible for funding under Round 1 of the program ineligible for funding under Round 2.

The third round identified 38 Local Government Areas (LGAs) as eligible for funding as those impacted to varying degrees by water recovery under the Basin Plan and taking into account a wide range of research, including Murray–Darling Basin Authority (MDBA) evaluations and newer research conducted around the Sefton report.

The boundaries of the communities eligible under Round 3 are based on LGAs. This expansion of community size takes into consideration the expansion of impacts of Basin Plan water recovery since MDBA assessments in 2016 and 2017 and the social and economic linkages between populations within LGAs.

Communities eligible for funding under Round 1 or Round 2 of the program were eligible for funding under Round 3.

The 38 communities identified by the department as eligible for the program under Round 3 are:

| **Queensland** | | | |
| --- | --- | --- | --- |
| Balonne | | Paroo | |
| **New South Wales** | | | |
| Balranald  Berrigan  Bland  Bourke  Brewarrina  Carrathool  Central Darling  Coonamble | Edward River  Federation  Griffith  Gwydir  Hay  Leeton  Moree Plains | | Murray River  Murrumbidgee  Narrabri  Narromine  Walgett  Warren  Wentworth |
| **Victoria** | | | |
| Campaspe  Gannawarra  Greater Shepparton | Loddon  Mildura | | Moira  Swan Hill |
| **South Australia** | | | |
| Alexandrina  Berri Barmera  Coorong | Loxton Waikerie  Mid Murray | | Murray Bridge  Renmark Paringa |

The objective of the program is to assist eligible communities to undertake economic development projects to respond to the impact of water recovery activities under the Basin Plan. The outputs of the program are the number of jobs created as a result of the economic development projects and the number of projects supporting activities continuing after the end of the projects.

The intended outcomes of the program are to:

* increase the capacity of communities to diversify and strengthen local economies
* enhance the resilience of communities to manage current and future economic challenges and changes
* increase opportunities for employment within communities.

The program is administered by the Department of Social Services’ Community Grants Hub (the Hub), on behalf of the Department of Agriculture, Water and the Environment under a Whole of Australian Government initiative to streamline grant processes across agencies.

# Selection process

Projects were selected through an open competitive process.

The submitted applications were screened for applicant eligibility and application compliance against the requirements outlined in the Grant Opportunity Guidelines and those applications which were passed were provided to the Selection Advisory Panel (the panel) for assessment against the three selection criteria:

* Criterion 1 – Economic benefits (weighting of 40%)
* Criterion 2 – Community support and benefit (weighting of 30%)
* Criterion 3 – Organisational capability (weighting of 30%).

The panel comprised a chair and another member from the department, two members from the MDBA and one each from the ACT Government Planning and Sustainable Development Directorate, National Indigenous Australians Agency and La Trobe University. The panel assessed the eligible and compliant applications, making final selections based on the strength of the applicants’ responses to the assessment criteria, and their demonstrated ability to meet the requirements of the Grant Opportunity Guidelines.

The process of the panel involved a number of phases to obtain an agreed order of merit for applications with a balance of projects across the 38 identified LGAs.

To do this, the panel considered the application on its merits based on:

* how well it meets the criteria
* how it compares to other applications
* whether it provides value with relevant money.

When assessing the extent to which the application represented value with relevant money, the panel will have regard to:

* the overall objective/s to be achieved in providing the grant
* the relative value of the grant sought
* the extent to which the geographic location of the application matched identified local government areas
* the extent to which the evidence in the application demonstrated it will contribute to meeting the program outcomes/objectives
* how the grant activities will target economic development in the identified local government areas
* the distribution of projects across the 38 eligible LGAs
* possible duplication with other known Commonwealth/state/territory government programs/service delivery.

The phases of ranking projects were as follows:

* Phase 1: ranking of all eligible applications into an order of merit.
* Phase 2: eliminating projects which do not meet a minimum threshold of value with relevant money. This would constitute a ranking of 2 out of 5.
* Phase 3: adjusting the order of merit by applying a weighting to prioritise funding for the more disadvantaged and vulnerable communities, accounting for the impacts of water recovery. For those communities previously eligible under Rounds 1 and 2, consideration will be given to the amounts of program funding awarded against notional funding thresholds to ensure a distribution of funding which addresses the impacts of water recovery on employment and economic development opportunities and ensures a fair distribution of funds within the competitive process. Consideration will also be given to those communities previously ineligible and who have therefore received no program funding to date.
* Phase 4: assigning funding available to the highest ranked projects according to the order of merit, until available program funding has been exhausted.

Projects which exceed the notional funding amount of $1,000,000 (GST exclusive) were considered in the context of the value for money they offer against all other projects during Phase 1. Consideration was also given to the time in which projects can be delivered and the number of communities provided benefit by the projects.

The decision to award grant funding to projects was made by the Hon. Keith Pitt MP, Minister for Resources and Water based on the recommendations of the panel.

# General feedback for applicants

Details about what made a strong response to each selection criterion is provided in the section below, Criteria specific feedback.

Successful applicants proposed activities which were eligible, appropriate and considered effective for achieving the program objectives. They demonstrated their suitability for public funding, value with relevant money and met the requirements outlined in the Grant Opportunity Guidelines. Successful applications included strong responses to all assessment criteria.

The feedback is based on the information provided by the panel and assessment team during the funding round.

## **Writing and providing details**

Applications needed to clearly and concisely address the selection criteria. It was difficult to assess poorly written and verbose applications. The proper and discerning use of sub-headings and dot points in some applications assisted in improving their readability.

A number of applicants did not effectively utilise the word limits in their applications, providing either insufficient detail on the proposed project or too little relevant detail. Low scoring applications often lacked sufficient relevant detail to describe what the project was and how the grant activity would meet the selection criteria and therefore the objectives and outcomes of the program. Applications which provided limited or no details about how project activities would deliver on program outcomes, outputs and objectives generally did not score well. Higher scoring applications clearly articulated exactly how well the grant activity would meet the selection criteria and why this method of achieving program objectives and outcomes was better than others.

## **Contribution towards program outcomes and demonstration of community benefit**

These Australian Government grants are funded by public money and suitable projects were selected on the basis which they will deliver economic benefits across the eligible Basin local government areas.

Applications needed to clearly demonstrate which the project would:

* deliver the program objective of helping eligible communities undertake economic development projects to respond to the impact of water recovery activities under the Basin Plan
* deliver the program outputs, especially through the number of jobs created because of the economic development project and the activities which continue after the end of the project.

Low scoring applications often lacked sufficient relevant detail and evidence to describe project outcomes and activities and how the project will directly contribute towards the program outcomes, deliver community benefits and provide value with relevant money. Applications which provided limited details about project activities generally did not score well. Higher scoring applications more clearly articulated the project activities and what they would deliver, making stronger arguments, backed with some evidence, for the proposition they put forward.

In general, many applications could have more clearly articulated how their project would contribute to program outcomes and provided more and better information on the numbers of jobs to be created. Generally speaking, applications made reasonable arguments for the ongoing economic development activities which would be created by projects, although here too there was room for some improvement.

In particular, in order to improve a project’s relevance with the program should there be any future rounds, applicants should consider:

* checking the Grant Opportunity Guidelines to ensure the proposed project is a good fit for the program
* ensuring the application clearly demonstrates how the proposed project meets the program’s outcomes and linking project activities to those outcomes
* demonstrating the reasons this project is the best possible use of taxpayer’s funds to deliver benefits to the identified community or communities.

## **Capacity to deliver**

Low scoring applications commonly did not strongly demonstrate the applicants had the capacity to successfully deliver the project. It was important to demonstrate:

* an applicant’s ability to deliver projects of the nature, size and complexity outlined in the proposal
* appropriate governance structures are in place
* the applicant knew what good governance looked like and could realise this through its project
* the project was adequately resourced and explain how those delivering the project were well qualified and suitable to do so
* clear roles and responsibilities of different organisations involved in the project (including project partners or co-contributors).

## **Ineligible activities and budget items**

Several applications included ineligible budget items or activities, including activities which were the responsibility of other Government agencies. A full list of ineligible items and activities can be found at Section 5.4 of the Grant Opportunity Guidelines. In particular, there were unsuccessful applications which included:

* research and development projects
* activities which were the primary responsibility of local government authorities
* projects which benefitted only private individuals/enterprises.

# Criteria specific feedback

## **Criterion 1: Economic benefits [weighting of 40%]**

In responding to this criterion applicants were to describe the project in detail, identify which community it related to, specify the location of the activities, and describe how it will deliver economic benefits which address the impacts of water recovery on the community. Economic benefits include how the project will:

* increase opportunities within the community for employment
* diversify and strengthen an identified community’s economy
* enhance resilience of the community to manage current and future economic challenges and changes.

Applications which outlined measurable outputs of the proposed projects, such as the number of jobs created as a result of the project, were highly regarded.

| **Strong applications:** | Quality responses clearly: |
| --- | --- |
| Clearly identified where the activities will take place and, therefore, which eligible community or communities were to benefit from the project and why | identified the location/s where the activities will be delivered  identified a direct need for this activity in the location/s |
| Defined the project well, including its scope | described what the activity to be delivered was, in a clear and logical manner  identified and articulated the benefit of the project to the community, what benefit the project was to deliver and how this would be realised  articulated innovative and original projects |
| Showed capacity to deliver the project within the grant period (that is within 12 months from 1 June 2021 to 31 May 2022). | established their ability to deliver the outcomes within the grant period through demonstrating their proposal was clear and well planned |
| Clearly outlined how the project will deliver the outcomes sought by the Murray–Darling Basin Economic Development Program Round 3 (specifically: increase employment opportunities; diversify and/or strengthen a community’s economy; and/or enhance a community’s resilience) | identified a linkage between the proposed activities and identified needs and program outcomes  detailed how the project will contribute to economic development and how this will deliver benefits to the broader community  detailed how the proposed activity will deliver clear achievements against the program outcomes  articulated how the activity will enhance an existing industry, generate opportunities for a new industry, link with and / or complement other activities in the region  outlined the employment opportunities to be created / the impacts to be realised in the community  demonstrated projects were adapting to changing circumstances and providing the community with options for its future  provided solid examples of diversification and/or strengthening of the local economy through the project  illustrated how the community would be made more resilient  stated any other additional benefits for the community |

## **Criterion 2: Community support and benefit [weighting of 30%]**

In responding to this criterion, applicants were to describe how the project will provide support for and benefit to the community, as opposed to only individuals or enterprises within the community. Applicants were to detail how the project is supported by the community. These elements may be evidenced by:

* a description of the linkages to relevant local economic development strategies, including the plans, priorities or challenges outlined in any relevant local, state or Australian Government policies or other documentation which demonstrates the project is a strategic priority
* an analysis of the public benefit
* recent evidence from key stakeholders of support for this project including, but are not limited to, relevant local governments, community stakeholders and Indigenous communities (up to 5 written letters of support could be included and/or documentation demonstrating community consultation processes and the resulting community support for the project).

| **Strong applications:** | Quality responses clearly: |
| --- | --- |
| Explicitly linked to strategies relevant to the community | demonstrated the project is a priority for the community, through identification in or alignment to, in order of highest relevance, relevant local, regional, state or national economic or community strategies |
| Made the connection on how the project would support or address relevant challenges or priorities in relevant local economic development strategies | providing clear evidence the project supports and brings benefits to the community broadly  evidencing support from a broad cross-section of the community, not only those organisations directly involved in the project |
| Considered the community needs and the benefits to a wide range of community and interest groups outside of the immediate project personnel and / or organisations | identified their priority cohorts or justified why they did not support a priority cohort  described how the activities will benefit the target group/s |
| Provided evidence of support / letters of support from a broad cross-section of the community | attached ‘genuine’ letters of support (for example, letters prepared by supporters of the project, not ‘form’ letters where the text has been provided by the applicant for signing by multiple supporters of the project)  provided a wider cross-section of community letters of support than the local members of Parliament, including from Indigenous groups and grass roots organisations  noted letters of support were available upon request, who they would be from and the key points made in support of the project  detailed and attached (within the project plan attachment) community surveys and outcomes on the project directly or community needs (or other forms of community consultation) |

## **Criterion 3 – Organisational capability**

In responding to this criterion, applicants were to describe how they will manage and deliver the project, including their financial control systems and project management arrangements. Applicants were to include:

* a detailed itemised budget, including contingency allowances, in the template provided
* details of your proposed governance arrangements and how you will manage the project
* a summary of your plan to deliver the project, in the form of a detailed project plan, including subcontracting arrangements
* a description of the experience of the personnel who will be delivering and managing the project/s.

| **Strong applications:** | Quality responses clearly: |
| --- | --- |
| Included a sufficiently detailed budget | identified project costs to a level appropriate to the size and scope of the project  identified the amount of funding sought from the Australian Government through the program (i.e. with the amount requested in the application matching which was outlined in the budget)  included a budget with sufficient number and detailed line items of requested funding was sourced from industry information – many applications required more detailed budgets  identified financial contributions – amount and to which items – from other organisations |
| Outlined the governance arrangements for the project to assurance to a level sufficient for the size and scope of the project | described the organisation’s management structure for governance and oversight, including relevant skill sets of staff and members  provided evidence of planning and detailed project management  described partnerships and collaborations of the project, how the organisation would use its existing networks to improve the outcomes of the proposal  demonstrated, if applicable, the consortium’s collective ability to deliver the proposed activities |
| Evidenced the applicant had relevant processes in place to ensure the project would be successfully delivered on time and within budget | provided detailed information and evidence the applicant had the required technical knowledge, skills and systems in place to be able to deliver the proposed project and achieve a positive outcome  detailed how the project would be managed and on governance arrangements to manage, coordinate and implement project activities  explained capacity constraints where the same personnel were identified to be involved in multiple proposed projects, if applying for more than one project  evidenced they can work collaboratively with project partners and manage sub-contracting arrangements to successful conclusions  specified key activities and how they would be scheduled to met timelines for the project and within the grant period of 12 months  explained how finances will be managed and monitored accurately |
| Detailed any proposed sub-contracting arrangements and the skills and expertise to be brought in to deliver the project | detailed the way in which relevant partnerships would operate both administratively and practically, and explained the role of each organisation partner and the activities they would be responsible for  evidenced the applicants’ ability to work collaboratively with partner organisations in their project |
| Detailed the applicant had personnel with the required technical knowledge and skills to be able to deliver the proposed project | demonstrated the applicant had adequate relevant experience to deliver the proposed project  outlined the organisation’s history in administering projects of the size and type proposed  outlined their expertise or access to the relevant expertise was required to deliver the project  described the skills of the project staff to outline the project is to be resourced with suitably skilled and experienced personnel  demonstrated the applicant was adequately equipped to deliver a project of the complexity proposed and achieve a positive outcome ensured partner organisations |

## **Attachments**

Applicants were to attach the following documentation to the application for it to be considered compliant and for it to proceed to assessment:

* a project plan, including description of the proposed activity, resourcing, justification for grant amount, and outline of plan for project and risk management
* a project budget – as part of the project plan
* evidence of community support – written support and/or evidence of community consultations

| **Strong applications:** | Quality responses clearly: |
| --- | --- |
| Attached a project plan which:  provided additional information to complement what was provided in the application form (e.g. relating to governance arrangements, and against the selection criteria)  outlined a suitable plan for the project including activities, tasks, deliverables, key milestones and timeframes  demonstrated an understanding and consideration of risks associated with delivering the grant activities, and which stipulated the processes to be put in place to ensure management and mitigation of identified risks | described how the activities would be conducted to deliver the outcomes  avoided cutting and pasting from the main application, and including more specific details on the project  explained how the applicant will coordinate the interests, needs and valuable contributions of all stakeholders, including people from diverse or minority backgrounds  described timeframes and milestones for when the activity will be completed within the 12-month duration described strategies to ensure the sustainability of the program outcomes beyond the 12 months of the grant  capacity to deliver within the grant period – the grant period was for 12 months across 2 financial years. The applicants needed to establish their ability to deliver the outcomes within 12 months by demonstrating their proposal was clear, well planned and involved (or had the ability to garner) strong partnerships with key stakeholders for their proposed activities  demonstrated the applicant understood risks relevant to the proposed project and had identified processes to manage and mitigate the identified risks |

For further comments relevant to this section (specifically on the project budget and the evidence of community support elements), please refer to specific feedback above for Criterion 2, Community support and benefit, and Criterion 3, Organisation capability.

# Individual feedback

Individual feedback is available to applicants by contacting the Hub (phone:1800 020 283 (option 1) or email: [support@communitygrants.gov.au](mailto:support@communitygrants.gov.au)) within **20 business days** of having received the outcome notification letter. Please include in the request your legal entity name, application ID and the project activity title. The Hub will endeavour to respond to your request within 30 business days from the date of the request for feedback.