



Indigenous Councils Critical Infrastructure Program Guidelines

September 2020

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An electronic copy of this report is available on the Department of Local Government, Racing and Multicultural Affairs' website at www.dlgrma.qld.gov.au.

Contents

Introduction	4
Program Objective	4
Funding Period	4
Eligible Applicants.....	4
Eligible Projects and Eligible Costs	5
Ineligible Projects and Ineligible Costs	5
New Projects	5
Native Title.....	6
Funding.....	6
Reporting.....	7
Project Forecasting	7
Payment Schedule	7
Project Management.....	9
Project Delivery	9
Project Management Plans	10
Project Contingency	10
Variations	11
Acknowledgement Requirements	11
Conducting Media Opportunities/Opening Ceremonies	11
Signage for Endorsed Projects	11
Project Completion.....	12
Formal Advice of Funding Approval	12
How to Receive Approved Funding.....	12
Confidentiality	12
Further Information.....	13
Attachment A – Monthly Report Template.....	14
Attachment B – Second Payment Claim Form	14
Attachment C – Final Certificate Form (Acquittal)	14
Attachment D – Variation Request Form	14
Attachment E – Project Management Plan	14
Attachment F – Project Request Form.....	14

Introduction

The Indigenous Councils Critical Infrastructure Program (ICCIP) is a \$120 million Queensland Government program that is provided to Indigenous Councils in Queensland to construct new, replace or remediate **critical water, wastewater and solid waste infrastructure**.

In 2016, asset condition reviews were conducted on water, wastewater and solid waste assets in Indigenous Councils in Queensland by suitably qualified engineers in conjunction with the then Department of Infrastructure, Local Government and Planning (the Department) staff.

This initiative is administered by the Department of Local Government, Racing and Multicultural Affairs.

Program Objective

The objective of the ICCIP is to support the 16 Indigenous Councils to deliver projects and infrastructure works relating to critical water, wastewater and solid waste assets.

Eligible Councils will be accountable for safely and successfully delivering their approved projects which are within their approved budget and timeframe.

Funding Period

The Funding Period for the ICCIP is **from the date of formal advice of project endorsement to 30 June 2022**, with final acquittal of works completed within one month post the endorsed program end date, by the **31 July 2022**.

Eligible Applicants

Recipient Councils under the ICCIP are:

- Aurukun Shire Council
- Cherbourg Aboriginal Shire Council
- Doomadgee Aboriginal Shire Council
- Hope Vale Aboriginal Shire Council
- Kowanyama Aboriginal Shire Council
- Lockhart River Aboriginal Shire Council
- Mapoon Aboriginal Shire Council
- Mornington Shire Council
- Napranum Aboriginal Shire Council
- Northern Peninsula Area Regional Council
- Palm Island Aboriginal Shire Council
- Pormpuraaw Aboriginal Shire Council
- Torres Strait Island Regional Council
- Woorabinda Aboriginal Shire Council
- Wujal Wujal Aboriginal Shire Council
- Yarrabah Aboriginal Shire Council.

Eligible Projects and Eligible Costs

Eligible projects are those that:

- were identified during the asset condition review process relating to assets requiring remediation or an upgrade to improve the condition, quality or lifespan of a Council owned capital asset.
- are new water, wastewater and solid waste infrastructure works identified by Council and/or the Department which have been deemed as necessary to the health and safety of communities.

The Department, at its discretion, may also approve review and options analysis projects for water, wastewater or solid waste infrastructure. Council must provide sound justification for the request of these projects.

Ineligible Projects and Ineligible Costs

Ineligible projects are those that do not meet the eligibility and approval criteria outlined for eligible projects.

Councils must not use ICCIP funds to support Operational and Maintenance costs. This includes the purchase of critical spares.

Eligible Councils are encouraged to contact the Department to discuss project eligibility.

New Projects

Councils are encouraged to identify and develop their own new projects. Councils can continue to apply for new projects until their total capped ICCIP budget is 85 per cent committed. The remaining 15 per cent will be held by the Department as contingency. Allocating funds for new projects within the contingency percentage will be considered by the Department in consultation with Councils on a case-by-case basis, having regard to progress from Councils in completing approved projects.

All new project requests are to comply with the ICCIP eligibility criteria.

A Project Request Form (**Attachment F**) must be submitted to the Department for review and approval prior to the project commencing.

If the Department approves the Council's request for a new project, a Milestone One payment will be made to Council.

If Councils provide a quote with a Project Request Form along with the second payment claim form and finalised Project Management Plan (PMP), the Department will assess the project request as Milestone One and Milestone Two approvals together.

The cut off for the approval of new projects is 31 December 2021. The Department will not accept and approve new project requests submitted by Councils after this date.

Native Title

Approved Councils receiving ICCIP funding are responsible for ensuring Native Title issues are adequately investigated and addressed prior to works commencing on approved projects.

ICCIP funds must not be used to pay for native title compensation claims or associated administration and/or legal costs which may be incurred by Councils.

Funding

Funding will be provided under the Funding Deed of Agreement which provides the framework of standard terms and conditions under which the Department will offer, and the Council will accept the approved funding.

Funding will be released for each approved project upon endorsement of that project by the Department.

The agreement between the Department and Council consists of the following documents:

- Funding Deed of Agreement;
- ICCIP Guidelines (this document); and
- Letter stating the Formal Advice of Funding Approval.

ICCIP is an allocation-based Funding Program as defined in Section 1.1 of the Funding Deed of Agreement.

The total funding provided by the Queensland Government has been capped and each Council has been advised. The total funding relates to the infrastructure needs assessment carried out by the department in 2016 and formed the total estimated value for the projects proposed for each Council. If a proposed project cannot proceed, the Department will consider alternatives that are within the funding allocation, which reflects the ICCIP Guidelines and the objectives of the ICCIP. The total capped funding must not be exceeded.

Councils can include additional or complementary funding if available.

All projects will require the Department's approval that they meet nominated scope requirements and are in accordance with the ICCIP Guidelines and the Funding Deed of Agreement. Following the commencement of the Funding Deed of Agreement, an initial payment of 60 per cent of the estimated project cost will be released to the Council.

The Council must conduct procurement relating to the project(s) in a manner that achieves value for money with probity and accountability and meet the procurement legislative obligations under the Local Government Act 2009 and Local Government Regulation 2012.

Unless Councils are given prior approval to self-deliver approved ICCIP projects, Councils are unable to allocate and claim internal costings for approved ICCIP projects. This includes, but is not limited to:

- Council staff wages.
- Council overheads.
- Procured goods; other than those given prior approval for an approved ICCIP project.

Unspent funds must be returned to the Department. This may include the following occasions:

- Council not spending the funds transferred for an approved project. I.e. an approved project is completed underbudget.
- Council not completing enough approved projects to expend their allocated budget prior to the program.

Reporting

Councils are required to submit monthly reports to the Department on **all** approved projects, this includes approved projects which have not yet started construction.

The report must include current expenditure of each project, forecast subsidy claims, outline delivery risks and project information, project progress and forecast completion dates. The Department may request verification of information in accordance with the provisions of the Funding Deed of Agreement.

The Council must monitor and update forecasts on the monthly report and advise the Department of any variations. An electronic and PDF version of the monthly report, signed by the Council's CEO or delegated officer, is due to be submitted to iccip@dlgrma.qld.gov.au no later than the eighth day after month end. A copy of the Monthly Report template can be found at **Attachment A**.

Project Forecasting

Councils must provide the Department with accurate and up to date milestone payment forecasts. This is to be detailed in the Monthly Reports and the Second Payment Claim forms.

Councils are required to provide the Department with fully costed and forecasted program schedules by **31 October 2020**. This is to include:

- Current approved project list outlining approved subsidy and estimated/actual construction start and completion times.
- For Councils with remaining unallocated budget, a proposed project list with proposed scope of works, estimated cost, estimated construction start and completion times.

Payment Schedule

ICCIP Approved Funding will be paid to eligible Councils on the following basis:

PAYMENT SCHEDULE	
Milestone One	<p>Milestone 1 payment will provide Councils with 30% of the Department's Estimated Project Cost (includes 30% of the Project Management allocation).</p> <p>The first milestone payment will be made upon endorsement of the approved project(s) by the Department.</p> <p>During this phase, Councils:</p> <ul style="list-style-type: none"> • are only to commence scoping and tendering approved projects. • <u>must not commit any funding without Department approval</u> • <u>must not commence the delivery or construction of projects.</u>

	<p>Councils must provide:</p> <ul style="list-style-type: none"> • Project Request Form (Attachment F) requesting approval of a project.
<p>Milestone Two</p>	<p>Milestone 2 payment will provide Councils 90 per cent of the Council's quoted cost for the project less what was paid at Milestone 1 (includes 90% of the Project Management allocation).</p> <p>The Milestone 2 payment will be made once Council has submitted a correctly rendered Second Payment Claim Form (Attachment B) and Project Management Plan, along with the quotation(s) for the approved project(s) and is approved by the Department.</p> <p>Quotations should clearly detail the specification, align to the approved project identification number and cost for each project.</p> <p><u>Council can only begin delivering or constructing projects once Milestone 2 has been approved in writing by the Department.</u></p> <p>Councils must provide:</p> <ul style="list-style-type: none"> • Second Payment Claim form signed by the Council CEO or formal delegate • Project Management Plan for the specific project or group of projects being tendered • Conforming quote(s) for the project(s) <p>The Department may request to review additional quotes obtained by the Council for projects.</p>
<p>Milestone Three</p>	<p>Milestone 3 payment will provide Councils:</p> <ul style="list-style-type: none"> • 100 per cent of the Council's quoted cost for the project less what was paid at Milestone 1 and 2 (includes remaining Project Management allocation) • any variation costs approved by the Department during the project's delivery or construction phase. <p>The final milestone payment will be made after finalisation and acquittal of each approved project.</p> <p>The final acquittal amount is the approved subsidy amount less unspent funds if applicable.</p> <p>Councils must provide:</p> <ul style="list-style-type: none"> • Final Certificate of Expenditure Form, verifying funds have been expended within the ICCIP Guidelines and Funding Deed of Agreement. (Attachment C) • Copy of Council's detailed transaction general ledger report of the project costs. • Photographs of the completed works. • Photographic evidence of project signage as per the Department's Acknowledgement Guidelines, or approval for acknowledgement exemption.

	<ul style="list-style-type: none"> • Where applicable, a copy of the Certificate of Practical Completion issued to the contractor. <p>Councils must return any unspent funds to the Department upon acquittal of approved projects.</p>
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All ICCIP forms and associated documents are to be emailed to ICCIP@dlgrma.qld.gov.au.

Project Management

Councils are required to engage or nominate a suitably qualified project manager with the relevant skills and experience to undertake the management of the approved projects.

The Council must notify the Department who the nominated project manager is for the approved projects upon commencement.

The Council will receive 10 per cent of the approved project cost in the Milestone 1 and 2 payment to pay for project management fees.

As the Council is entitled to receive *up to* 10 per cent of the approved project cost to pay for project management fees, the project management portion of the subsidy may fluctuate according to the final approved subsidy amount at Milestone 3.

Councils are entitled to use the 10 per cent of funds allocated for project management assistance to pay for legitimate project management services. This may include:

- Nominating an internal employee to act as project manager and paying for the employee's time dedicated to delivering ICCIP projects.
- Engaging an external project manager and paying for the project manager's time dedicated to delivering ICCIP projects.
- Paying for project management software.

Councils who have subscribed for project management software to assist with the management of their approved ICCIP projects may use their 10 per cent project management funds to pay for the software. However, Project Management software can only be funded from within the 10 per cent project management allocation when using ICCIP funds.

Except at the Department's discretion, Project Management software will not be approved as its own project and additional subsidy for such will not be approved for Councils beyond the 10 per cent allocation.

It is Council's responsibility to manage their 10 per cent project management allocation when engaging a project manager and subscribing to project management software.

The Department will at times liaise directly with Council's nominated project manager/s.

Project Delivery

Eligible Councils who receive ICCIP funding are accountable for safely and successfully delivering approved projects on time and within their approved budget.

Councils must strictly comply with details set out within the *Local Government Act (2009)* and *Local Government Regulations (2012)* for all tendering, evaluation and award phases of ICCIP projects.

Councils are entitled to quote and deliver an approved ICCIP project internally. Councils must provide the Department with a detailed breakdown of the costings (quote) for the approved project when applying for a Milestone Two payment. The Department will review Council's breakdown to verify the applied rates and hours. Councils are required to ensure all laws, legislation, regulations and standards are complied with to ensure total safety and quality of all approved projects. This may include, however isn't limited to:

- Work Health and Safety
- Australian Standards.

Project Management Plans

A finalised Project Management Plan must be provided to the Department at the Milestone 2 Stage. The PMP must be signed by the Council's CEO or accountable officer.

A copy of the PMP template can be found under **Attachment E**.

Project Contingency

Councils are not eligible to receive contingency for approved ICCIP projects.

For approved ICCIP projects requiring additional funds, Councils are required to apply to the Department to vary the approved project subsidy using a Variation Request form.

A copy of the Variation Request form template can be found under **Attachment D**.

Variations

Funding recipients may submit a subsidy, time or scope variation for an approved project to the Department for consideration. The Council's request must not exceed the total capped funding approval.

Councils are required to provide sound justification to support all variation requests. Variations requesting additional subsidies must be accompanied with a valid quote which demonstrates value for money.

For scope, time and/or budget critical variation requests which may affect the delivery of an active approved project, Councils are to make contact immediately with the Department on 3452 6785, 0459 889 573 or iccip@dlgrma.qld.gov.au to discuss.

Councils are not to commit to or proceed with varying project subsidy, time or scope until contact has been made with the Department.

Acknowledgement Requirements

As per clause 6.1 of the Funding Deed of Agreement, the Council must adhere to the Acknowledgement Guidelines issued by the Department to recognise Queensland Government funding and the ICCIP program in all media and other communications.

These guidelines can be found on the Department's website at <https://www.dlgrma.qld.gov.au/about-us/corporate-publications/acknowledgement-requirements.html>

Conducting Media Opportunities/Opening Ceremonies

The Minister for Local Government, Racing and Multicultural Affairs, representing the Queensland Government, must be invited to officiate at any opening ceremony or other official celebration of an approved project. The Minister, at his or her discretion may nominate another Minister or representative to attend on his or her behalf or may request an alternate event date so that he / she can attend.

Formal invitations must be sent directly to the Minister with a minimum of 28 days' notice of the planned opening ceremony. Email formal invitations to LGRMA@ministerial.qld.gov.au with a CC to ICCIP@dlgrma.qld.gov.au.

Signage for Endorsed Projects

In accordance with clause 6.1 of the Funding Deed of Agreement recipient, Councils must adhere to the Department's Funding Acknowledgement Guidelines recognising Queensland Government funding and the ICCIP program in all media and other communications. This includes:

- Erection of signage at construction sites, and
- Acknowledgement in publicly made statements or appropriate documentation.

Further information on acknowledgement requirements, including the use of the Queensland Government logo is available on the Department's website at www.dlgrma.qld.gov.au.

Councils may formally apply to the Department for dispensation of the signage requirements for an approved project. The Department will review the Council's request and provide feedback on its determination.

Councils should consider detailing in their contracts that contractors are to erect the required signage as part of their scopes of works.

Project Completion

Projects funded under 2017-22 ICCIP must be delivered **no later than 30 June 2022**. Extensions of time will not be considered.

Formal Advice of Funding Approval

Councils which receive Approved Funding under ICCIP will receive a 'Formal Advice of Funding Approval'. This documentation will provide the amount of approved funding allocation the Council may receive. Any unspent funds must be returned to the Department,

The Approved Funding amount will not exceed the total detailed in the Formal Advice of Funding Approval.

Payments will be paid to eligible Councils by electronic transfer.

How to Receive Approved Funding

Councils will be contacted by the Department to confirm proposed projects and funding allocations for those projects. The Department's Engineering Services Team will work with Councils to review and refine projects.

Once a project is approved, the Council will receive formal advice of Funding Approval from the Department, along with the Milestone One payment initial release of funds. Councils are to submit a PMP for the Department's review.

When a Council provides the Department with a formal tender document, Second Payment Claim Form and PMP for a new proposed project, the Department will endeavor to approve and make the Milestone 2 payment for the project(s) to transfer the Council 90 per cent of the quoted funds.

Confidentiality

The Department will treat information provided by the Council as confidential.

Should the Department be required to consult with other government agencies or bodies and other organisations and/or individuals, it will make every reasonable effort to ensure the parties who are consulted are aware of the need to treat the information as confidential.

Further Information

For more information, please contact the Department's Engineering Services team on:

Telephone: 3452 6785 or 0459 889 573

Visit: Level 12, 1 William Street, Brisbane QLD 4000

Post: PO Box 15009, City East, Queensland 4002

Email: ICCIP@dlgrma.qld.gov.au

Attachment A – Monthly Report Template

www.dlgrma.qld.gov.au/resources/template/local-government/iccip-monthly-project-report-

Attachment B – Second Payment Claim Form

<http://www.dlgrma.qld.gov.au/local-government/grants/indigenous-councils-critical-infrastructure-program.html>

Attachment C – Final Certificate Form (Acquittal)

<http://www.dlgrma.qld.gov.au/local-government/grants/indigenous-councils-critical-infrastructure-program.html>

Attachment D – Variation Request Form

<http://www.dlgrma.qld.gov.au/local-government/grants/indigenous-councils-critical-infrastructure-program.html>

Attachment E – Project Management Plan

<http://www.dlgrma.qld.gov.au/local-government/grants/indigenous-councils-critical-infrastructure-program.html>

Attachment F – Project Request Form

<http://www.dlgrma.qld.gov.au/local-government/grants/indigenous-councils-critical-infrastructure-program.html>

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1 William Street Brisbane
tel 13 QGOV (13 74 68)

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