

NSW Council Support Payments Local Government Recovery Grants

Program Guidelines for Highly Impacted Councils

Part 1: Summary/Overview

Program Guideline Variation	These guidelines have been varied as per Appendix A on 29/11/2024
Event Name/s	NSW Severe Weather and Flooding: 22 February 2022 onwards
2022 Floods Economic Recovery Package funding category	Local Council Support Package – Highly Impacted Councils
Name/title of initiative	NSW Local Government Recovery Grants (Floods)
Program completion	30 June 2026
Type of assistance and who will receive support/benefit	<p>Streamlined, flexible and immediate funding directly to eight (8) highly impacted local councils (Ballina Shire, Byron Shire, Clarence Valley, Kyogle, Lismore City, Richmond Valley, Tweed Shire and Hawkesbury City Councils), to support local economic and social recovery in areas impacted by the NSW severe weather and flooding events.</p> <p>The Council payments will provide timely financial assistance directly to eight (8) highly impacted councils to support them to undertake immediate recovery activities, address emerging needs and to help build community resilience. This includes initiatives across the built, social, economic, and natural environment recovery domains.</p>
Available Funding	<p>\$2 million to each highly impacted local council declared under an eligible disaster event.</p> <p>Where councils are declared under multiple events, a single funding amount (up to \$2 million) will be provided to cover all events.</p>
Description of initiative, including relevant amounts/levels of support; how the assistance will be provided/delivered; and eligibility criteria	<p>The grants provide financial assistance to highly impacted councils towards supporting restoration and recovery projects that best meet their community’s needs.</p> <p>Payment will be released to councils to assist them in undertaking immediate recovery activities, addressing emerging needs and help build community resilience. Councils must use these grants on measures and activities not eligible through existing Disaster Recovery Funding Arrangements (DRFA) or other government grants.</p> <p>Projects must meet project criteria as outlined in these program guidelines.</p> <p>Councils must submit a Program of Works within three (3) months of receiving funding and provide half yearly reports on how the funds are being spent.</p>

Locations where the initiative will be made available/provided	Funding will be made available to eight (8) highly impacted disaster declared Local Government Areas (LGAs) being: Ballina Shire, Byron Shire, Clarence Valley, Kyogle, Lismore City, Richmond Valley, Tweed Shire and Hawkesbury City Councils.
State/territory administering agency and contact details	Department of Planning and Environment - Office of Local Government (administrating agency) Email: grants@olg.nsw.gov.au Phone: 02 4428 4100

Part 2: Recovery Needs

Objective

The objective of the program is to deliver immediate flexible grants to the 8 highly impacted local councils for projects identified by council which support economic and social recovery projects at a local level. Funding aims to support restoration, recovery and resilience activities that

- Are eligible activities consistent with these Guidelines;
- Are not otherwise eligible through existing funding and support measures but can demonstrably strengthen community resilience and reduce the impact future natural disasters will have on communities.

In recognition that the impact of these storm and flood events have been diverse, councils can apply for funding for a range of activities that best meet their local community's needs. The program intent is to encourage community and local economic recovery in the short, medium and long-term.

Councils will be responsible for working with the administering agency to ensure funding complements (rather than duplicates) any other forms of recovery assistance being delivered.

Program outcomes

Council will need to demonstrate in their Program of Works how projects aim to contribute to one or more of the following outcomes (See Part 4 and Part 5 for details outlining this requirement):

Disaster Recovery Outcomes

- The needs of vulnerable groups are addressed in the disaster recovery process
- The community is aware of the disaster recovery process
- The community can express its changing disaster recovery needs
- Community members are aware of the risks of future disasters
- Government, private sector, civil society and organisations are engaged in plans for preparedness and management of the recovery

Social and Economic Recovery Outcomes

- Community members receive access to appropriate and coordinated social services
- The community has improved capacity and capability to respond to future disasters
- The community strengthens its ability to withstand and recover from future disasters
- Business and non-profit groups implement adequate mitigation practices for risks and threats

Built and Environment Recovery Outcomes

- Infrastructure that delivers essential services to the community is repaired
- Infrastructure is repaired in accord with changing recovery needs
- Cultural or heritage sites or assets of importance are restored, where possible, in a way that

- provide these values to the community
- The impact of future disasters on biodiversity and ecosystem in minimized

Part 3: Funding

The Local Government Recovery Grants program is funded by the NSW Government and administered by the Department of Planning and Environment - Office of Local Government (the administering agency).

Payment to councils

An upfront payment of up to \$2 million as set out in the Grant Acknowledgement Schedule (the Schedule) will be released to each eligible council.

Receipt of the funding is conditional upon Council:

- Returning the signed Schedule by 5pm Friday 8 July 2022
- Providing a Program of Works within 3 months from the receipt of the funds
- Ensuring that funds are not be transferred across funding streams without written permission from the Office of Local Government
- Submitting half yearly progress reporting (See Section 5 for details outlining the Program of Works and Reporting requirements)
- Providing an acquittal report by 29 August 2026
- Returning any unspent or uncommitted funds as at 30 June 2026
- Allowing the administering agency and the NSW Government to communicate the outcomes of the funding provided as set out in these Guidelines

Expenditure of funds on eligible project costs can occur prior to submission of Program of Works. Council will be required to pay back unspent and uncommitted funds which have not been spent in accordance with these program guidelines or any funds which are not expended by 30 June 2026.

Expenditure on ineligible purposes will be repayable.

Part 4: Eligibility Criteria

Projects must meet the project criteria for expenditure to be consider eligible under the grants program.

Eligible Councils

Eligible applicants are the highly impacted NSW disaster declared councils being Ballina Shire, Byron Shire, Clarence Valley, Kyogle, Lismore City, Richmond Valley, Tweed Shire and Hawkesbury City Councils.

Ineligible Councils

All other NSW local councils not listed under eligible applicants.

Project location

Projects seeking funding must be delivered in an eligible LGA.

Projects that provide benefit across multiple eligible LGAs are considered eligible (i.e. LGAs can combine funds for eligible projects). Where the Council/s is not the owner of the land on which the project will be delivered, landowner's consent will be required as part of the Program of Works.

Project criteria

Councils will be required to submit a Program of Works within three (3) months of receiving funding (see Part 5 outlining Council Program of Works).

The Program of Works should detail all eligible projects that are planned for delivery and council must demonstrate how each eligible project meets the project criteria outlined below:

Project Criteria	Description
Diverse local recovery needs are balanced	The community has a need for the project and its outcomes. This need can either be demonstrated through data analysis or through community driven interest in the project and its outcome.
Alignment	The project is able to contribute to social and economic recovery needs and current recovery activities whilst avoiding duplication with other recovery initiatives already fully funded or underway.
Resilience building	The project supports the ongoing productivity, sustainability, preparedness and disaster resilience of the impacted community or infrastructure asset(s).
Local support and delivery	The community supports the project and participate, where possible, in planning and development processes. The project should aim to optimise local and Indigenous employment and procurement opportunities, including opportunities for local trades, services and other input-supplying businesses.
Feasibility	The project is feasible, risks and consequences are acceptable, and appropriate mitigation strategies are identified. Project proponents can demonstrate delivery capacity and experience, and project readiness supports commencement and completion within program timeframes. Cost is an effective, efficient, and ethical use of resources. Council must provide evidence the project has been adequately planned, costed and appropriate mitigation strategies are in place for identified risks. For infrastructure projects, council should demonstrate how any infrastructure is to be maintained, including evidence to demonstrate that the future operating and maintenance costs of the project can be continued.

Eligible projects

Projects should contribute to recovery initiatives that are not otherwise eligible under the Disaster Recovery Funding Arrangements 2018 (DRFA) or other government grants and are already fully funded or underway.

In relation to *essential public assets*, council should contact their regional administering agencies [Transport for NSW](#) and [NSW Public Works Advisory](#) to ascertain eligibility for existing disaster relief and support for local councils.

For example, while stormwater and drainage works are considered *essential public assets*, the type of proposed work may not be covered under existing grants administered by the above agencies. If this is the case, it is incumbent on councils to provide reasonable evidence of this ineligibility as part of its Program of Works submitted for assessment under this grant.

To be eligible projects must:

- Meet all eligibility criteria outlined in Part 4 of these program guidelines
- Support the recovery of the local community's economy, social well-being, built or natural environment, or improve resilience to future natural disasters

- For infrastructure projects, not meet the definition of *essential public asset* in the DRFA and be eligible for reimbursement under the DRFA
- For community infrastructure projects, infrastructure must play a demonstrated, important role in providing one or more of the following:
 - basic social and recreational amenity to local residents and visitors
 - help support and/or safeguard community cohesion
 - support the delivery of social support networks
 - support local and Indigenous-owned businesses through procurement
- For council or community infrastructure projects, be for the repair or rebuild of infrastructure that was directly impacted as a result of an eligible disaster or be for the enhancement (disaster resilience) works required to prepare for an eligible disaster
- Align with relevant NSW Government policies and strategies
- All eligible projects be acquitted by 30 August 2026

Examples of eligible projects

Projects must align to one or more of the project categories and project types below:

Project Category	Project Type	Example
Social and economic recovery	<p>New activities and measures/events that directly support local economic or social recovery:</p> <ul style="list-style-type: none"> Recovery initiatives which support and promote community safety and wellbeing, social support, or social development. Initiatives which support and promote sustainable local economic recovery, business continuity, business preparedness and business development. <p>This may include projects that relate to existing activities and measures, where it can be demonstrated that the proposed project adds value to the existing activity or where an existing activity or measure has been significantly financially impacted by eligible storm and flood events or compounding disasters.</p>	<p>Activities, measures, events may include but are not limited to:</p> <ul style="list-style-type: none"> Community engagement and/or information initiatives Activities aimed at restoring community safety and wellbeing Commemorative events and/or memorials Heritage and cultural events and initiatives Advocacy and monitoring services Community wide mental health and support programs Recovery outreach activities which support access to safety and security, shelter or health services Access to support on insurance, financial counselling and mentoring programs Tourism and small business initiatives Local economic development initiatives Programs that value and build on the local capacities of services that support economic activities (e.g. non-profit groups)
	<p>Employing additional local staff to take on fixed term temporary specialist recovery or planning roles to help coordinate and plan rebuilding effort and to foster resilience-building within the LGA</p> <p>This includes employment of contractors, casual or fixed term temporary staff (or backfill staff when a staff member is deployed to these roles and backfill is fixed term temporary).</p> <p>Note: this does not include the additional hire of staff to project manage restoration works related to essential public assets.</p>	<p>Employment of additional local staff may include:</p> <ul style="list-style-type: none"> Additional local staff hired by Council to work directly in the delivery of an eligible project or to help coordinate and plan recovery efforts

Project Category	Project Type	Example
<p>Built and environmental recovery</p>	<p>Evacuation and Relief Centres:</p> <p>Reconstruction or enhancement (disaster resilience) to evacuation and relief centres that were directly impacted as a result of an eligible disaster or enhancement works that were required to prepare for the eligible disaster.</p>	<p>Including council or key community infrastructure owned/managed by non-council community groups. This may include not-for-profit organisations or non-government community social infrastructure assets which play a key role in social cohesion.</p>
	<p>Council or community owned infrastructure:</p> <p>Reconstruction or enhancement (disaster resilience) to directly impacted council or community owned infrastructure that is not otherwise eligible under the DRFA, including council damaged built, environmental, cultural, historic, or recreational assets.</p> <p>This may include:</p> <ul style="list-style-type: none"> - Reconstruction or enhancement of key community infrastructure owned/managed by non-council community groups. This may include not-for-profit organisations or non-government community social infrastructure assets which play a key role in social cohesion. - Using funding for the purpose of enhancement or complementary works to Essential Public Assets, where the costs for enhancement or complementary works aren't covered by the DRFA. <p>Note: Assets or infrastructure which meet the definition of an Essential Public Asset and are eligible for reimbursement under the DRFA are not eligible for funding under this program (see Part 6 Definitions).</p>	<p>Projects may include, but are not limited to, repair, replacement of disaster damaged council or community:</p> <ul style="list-style-type: none"> • access roads and carparks • council cemeteries • playing field or court surfaces • retaining walls • war memorials • parks and playgrounds • walking trails and footpaths • pedestrian bridges • signage in public spaces • river/creek banks • youth and senior citizen facilities • tourism, arts and culture facilities • fixed sporting equipment • cultural heritage and identity of place assets • wharves, jetties, boat ramps <p>Enhancement (disaster resilience) projects may include, but are not limited to:</p> <ul style="list-style-type: none"> • increased flood immunity (e.g. additional or increased diameter of culverts) • realignment of roads • provision of additional signage • enhanced materials for reconstruction

Project Category	Project Type	Example
Built and environmental recovery	<p>Waste clean-up of assets and infrastructure:</p> <p>Clean-up of assets not covered by the DRFA (including category B, C, D), other government assistance or insurance claims.</p> <p>Note: this is only for projects in eligible LGAs where funding for clean-up assistance or waste disposal measures are not otherwise available.</p>	<p>Projects may include but are not limited to:</p> <ul style="list-style-type: none"> • Debris clean-up and removal, including green waste, trees, sediment, silt, mud, flood deposited waste items that are not otherwise covered by DRFA or other assistance measures.
	<p>New projects or initiatives related to assets and infrastructure that support disaster resilience in response to flood and storm events:</p> <p>Projects or initiatives which have been identified following the flood and storm events which address the causes of risk to hazards and implement disaster reduction initiatives across the built and natural environment.</p> <p>Note: this does not include the building of new infrastructure which did not exist prior to the eligible disaster.</p>	<p>Projects may include, but are not limited to, initiatives related to:</p> <ul style="list-style-type: none"> • Protection of existing structures • Sensitive ecosystems • Critical infrastructure • Education and awareness about hazard and risk
Resilience	<p>Community capacity recovery building and resilience</p> <p>Projects or initiatives aimed at increasing community awareness, enhancing capacity and building resilience to future disasters</p>	<p>Projects or initiatives may include but are not limited to:</p> <ul style="list-style-type: none"> • Re-building or establishing new community networks • Workshops and forums which provide awareness for disaster implications and developing risk mitigation plans • Programs that assist affected people and groups to explore alternative opportunities through learning new skills

Examples of ineligible projects

Ineligible projects include those that:

- fund the day-to-day operations and/or business as usual activities of the organisation
- include building of new infrastructure which did not exist prior to the eligible disaster
- for infrastructure assets that meet the definition of an *essential public asset* and are eligible for reimbursement under the DRFA
- are fully funded through other government grant(s), assistance and/or insurance claims
- duplicate other recovery initiatives already funded or underway
- are located outside of the eligible LGAs
- require ongoing funding from NSW or Australian Government
- are not aligned to the objective and outcomes of the program
- have exclusive private benefits or provide direct commercial and/or exclusive private benefit to an individual or business
- include improvements or repair to residences

Eligible expenses

Eligible expenses must be directly related to delivering the approved project and may include:

- extraordinary local government labour costs for ongoing/budgeted staff directly associated with delivering the eligible project. Including base wage, overtime, plus on costs to a maximum of 32.19% (on-costs including superannuation, workers compensation, and long service leave, if applicable, etc).
- fixed-term temporary staff or casual staff
- hire of contractors
- travel and accommodation expenses (allowance or actuals)
- communications technology costs including extraordinary mobile plans or internet services
- project costs related to buying or upgrading capital items, equipment or supplies up to 5% of total grant value
- external plant hire/rental costs
- extraordinary local government owned plant operating costs (fuel only)
- extraordinary materials and consumables (e.g. stationery, catering, advertising, promotion, printing)
- project delivery costs, including program and service development, project management, design, supervision and inspection/superintendent costs
- temporary office accommodation costs (where required) that are not council owned

Ineligible expenses

Expenses that cannot be claimed include, but are not limited to:

- project costs related to buying or upgrading capital items, equipment or supplies (greater than 5% of total grant value)
- financing, including debt financing, or insurance
- legal costs
- project costs that are reimbursable under other approved/awarded funding sources
- additional hire of staff to project manage works related to essential public assets which are eligible for reimbursement under the DRFA
- site rental costs for infrastructure projects and environmental projects
- for community programs, rental costs not directly associated with the program
- costs relating to depreciation of plant and equipment
- business-as-usual operational costs and expenditure, including core business responsibilities and ordinary wages and plant costs of local / state government agencies
- in-kind contributions
- funding to a third party in the form of sponsorship, grant, cash prize or commercial gift
- non-project related staff training and development costs
- ongoing costs / recurrent funding that is required beyond the stated timeframe of the project (e.g. administration, operation, maintenance or repairs)
- purchase of land
- loss of revenue on council owned buildings or any other building

Part 5: Administrative Arrangements

Program of Works

The administering agency will provide Council with a Program of Works template and be available to provide advice to Councils in preparing and submitting the relevant information. Council must comply with all legislative and regulatory requirements that may apply in relation to the application of the funding received, and if applied to a project, including obtaining all necessary approvals, licences and permissions.

Council will be required to pay back funds which have not been spent in accordance with these program guidelines or any uncommitted funds which are not expended by 30 June 2026.

Project information and supporting documents which may be required as part of the Program of Works, may include but is not limited to:

- project name
- project description
- socio-economic benefits of project
- requested funding
- council contribution (if any)
- estimated total project cost
- locations of proposed site/s (for infrastructure projects)
- proposed project start date and approximate project duration
- a completed project plan including a risk plan
- cost estimates/quotes
- options analysis
- cost benefit analysis
- results of investigation/ consultation
- letters of support, as appropriate
- evidence confirming funding sources
- evidence of land ownership/tenure
- scope works and key milestones
- letter of offer / employment for temporary staff
- a copy of completed Cultural Heritage Management Plan, Vegetation Assessments, Environmental Management Plans, etc. as appropriate or evidence that these types of plans are not required.

The administering agency may request additional information from Council or from any other source. Council must supply any such information promptly upon request. Nothing in these Guidelines displaces obligations on the Council under the *Local Government Act 1993* or precludes the administering agency from exercising functions and powers available to it under that Act.

Where there is uncertainty or unintended outcomes arising from the project eligibility requirements, a practical approach will be taken to resolve issues. Final determination will be made at the discretion of the administering agency, with advice and recommendations from relevant government agencies.

The administering agency may refer projects to other funding programs for consideration.

Requests for variations or changes to the project will only be considered by the

administering agency in limited circumstances.

Councils should be aware that information submitted in Program of Works and all related correspondence, attachments and other documents may be made publicly available under the ~~Government~~ *Information (Public Access) Act 2009* (NSW). Information that is deemed to be commercially sensitive will be withheld.

Complaints handling

Contact grants@olg.nsw.gov.au in the first instance

Reporting

Council must submit project progress reports to the administering agency on a half yearly basis. Reports should, where possible, include information (reporting activity) such as:

- actual expenditure reported against the approved capped amount (general ledger and transaction listing)
- percentage of scope of works completed
- delivery against project milestones and outcomes
- any variances in scope, cost or time

The administering agency may request funding information and ~~pages~~ reports outside of the reporting activity if required.

Monitoring and Evaluation

Councils must participate in a program evaluation which is undertaken during and/or after completion of the project to determine the extent to which their projects have contributed to the objectives of the funding. The evaluation will require Councils to provide evidence of how projects have resulted in a measurable benefit to the community that is consistent with the objectives of the Local Government Recovery grants program.

Public Acknowledgement

Council agrees to publicly communicate the outcomes of the funding provided to Council in accordance with these Guidelines and in accordance with the Funding Acknowledgement Guidelines for recipients of NSW Government Grants (the Funding Acknowledgment Guidelines) available at <https://www.nsw.gov.au/branding/sponsorship-and-funding-acknowledgment-guidelines/funding-acknowledgement-guidelines>

Council authorises the administering agency and the State of New South Wales to use information Council supplies in its reporting pursuant to these guidelines for promotional purposes, including:

- the use of Council's name;
- Details and/or aggregate sums of the funding provided;
- the title and description of the projects undertaken with the use of the funding including any related grant;
 - but subject to any confidentiality restriction which has been requested by Council and agreed to by the administering agency.
 - Council must allow representatives of the State of New South Wales to use any promotional material it either obtains through its own processes or those provided by council in any media platform for the promotion of this funding package.
- Obtaining prior agreement from the administering agency to public announcements,

promotional materials or other publicity materials referencing the source of the funding as set out in the Funding Acknowledgment Guidelines.

The NSW Government may use any information submitted by a Council for promotional material. Information may be used in the form of press releases, case studies, promotional material and in response to media enquires relevant to the Local Government Recovery grants program.

Assurance and acquittal

Council must maintain and make available accurate audit records which must remain available for seven years from the end of the financial year the claim is acquitted to the NSW Government.

For assurance purposes, the NSW Government may at any time, via the administering agency, request documentation to evidence the compliance with any aspect of these Guidelines.

Councils must consent to the administering agency conducting an audit of grant funding within a period of up to seven years from the release of funding to council, and council must retain relevant documentary evidence to be provided on request, should they be selected for audit. Documentary evidence to be retained includes:

- Contract documentation, authorisations and approvals related to the project(s)
- All financial records relating to the expenditure of the funding
- Payment receipts for completed works
- Bank records or ledgers
- Any and all acquittal reports
- Statutory Declaration from authorised delegate

Penalties apply where false or misleading information is provided.

Part 6: Definitions

Community Infrastructure means key community infrastructure owned/managed by non-council community groups. It must be demonstrated that this infrastructure plays a key role in providing one or more of the following:

- basic social and recreational amenity to local residents and visitors
- help support and/or safeguard community cohesion
- support the delivery of social support networks
- support local and Indigenous-owned businesses through procurement

Disaster Recovery Funding Arrangements 2018 (DRFA) means the joint Commonwealth-State costsharing arrangements, these can be viewed online via disasterassist.gov.au/disaster-arrangements

Essential Public Asset (under the DRFA) means an asset that must be a transport or public infrastructure asset that is an integral part of a state infrastructure and normal functioning of a community. Examples of assets that are **not** considered to be essential public assets are:

- Private roads
- Roads on Crown Land that are not Crown Roads
- Sporting or recreational or community facilities (for example, playgrounds and

associated facilities)

- Beaches, coastal areas and riverbanks
- Religious establishments
- Cemeteries
- Memorials

Reconstruction means the restoration or replacement of an infrastructure asset

Unspent or uncommitted funds includes that part of any funding paid to a council which as at 30 June 2026 council is not obliged to pay to any person under an agreement to provide or deliver an eligible project (or a defined element of such a project) being a binding arrangement entered into prior to 30 June 2026 and having a delivery date no later than 31 December 2026

Appendix A – Program Guideline Variation**Variation to the program completion date as approved by the NSW Office of Local Government DEP SEC on 29 November 2024.**

In accordance with the NSW Office of Local Government approval the program guidelines will be varied as follows:

- a) Program Guidelines Variation section added to Part 1: Summary/Overview
- b) Revised program completion date to 30 June 2026 as listed in Part 1: Summary/Overview (page 1)
- c) Revised program acquittal date to 29 August 2026 as listed in Part 3 : Funding (Page 3)
- d) Revised return of any unspent funds date to 30 June 2026 as listed in Part 3: Funding (page 3)
- e) Revised timeline for expenditure to 30 June 2026 as listed in Part 3: Funding (page 3)
- f) Revised eligible project completion date to 30 June 2026 as listed in Part 4: Eligibility Criteria (page 5)
- f) Revised return of any unspent funds date to 30 June 2026 as listed in Part 5: Administrative Arrangements (page 10)
- g) Revised definition of unspent or uncommitted funds dates as listed in Part 6: Definitions

This variation was coordinated by the NSW Office of Local Government. Variation to the program guidelines effective from 29 November 2024.