



Australian Government

Department of Infrastructure, Transport,  
Regional Development, Communications and the Arts

# Guidelines

## Safer Local Roads and Infrastructure Program

June 2024

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# 1 About the Guidelines

These Guidelines outline the eligibility criteria, application process and certain administrative requirements for the Safer Local Roads and Infrastructure Program (the Program), including the Heavy Vehicle Rest Area (HVRA) initiative.

The Program is governed by and administered under the following instruments (as in force or implemented from time-to-time):

- The *National Land Transport Act 2014* (Cth) (NLT Act);
- The Intergovernmental Agreement on Federal Financial Relations (FFR);
- the Federation Funding Agreement – Infrastructure (FFA) and Land Transport Infrastructure Projects Schedule (LTIP Schedule);
- These Guidelines.

The Program is a sub-program for the purposes of the LTIP Schedule. Projects under this Program are administered under the NLT Act, and payments for this Program are made to States and Territories under the FFA and LTIP Schedule, including where the applicant is a Local Government Authority (LGA). The Guidelines should be read subject to the NLT Act, and in conjunction with relevant sections of the FFR, FFA and LTIP Schedule.

A glossary of common terms can be found on page 27 of the Guidelines.

## 1.1 Processes for the program

### **The Program opens for applications from 1 July 2024**

Applications are accepted all year round and are batched for assessment up to 3 times a year in tranches.



### **Applicants to complete and submit applications**

Applicants complete the application form and address all of the eligibility and assessment criteria to be considered for funding under the Program.



### **The Department to assess all eligible applications**

The Department will check all applications against the eligibility criteria and assess eligible applications against the assessment criteria, including an overall consideration of relevant value with money, and compare it to other applications.



### **The Department to recommend projects for funding**

The Department will recommend projects to the Minister (or their delegate for approval) taking account of the program budget.



### **Ministerial decision on projects to fund**

The Minister decides which applications are successful.



### **The Department to notify applicants of the outcome**

The Department will advise applicants the outcome of their application. The Department may not notify unsuccessful applicants until Funding Offers have been executed with successful applicants.



### **Funding Offers for successful applicants**

The Department will execute a Funding Offer with successful applicants. The Funding Offer will contain schedules detailing matters including the project scope, project budget, deliverables, milestones and payment.



### **Delivery of project**

The proponent will undertake the project activity as set out in the Funding Offer. The Department will manage the project by working with the proponent, monitoring project progress and making payments.



### **Evaluation of the Program**

The Department will evaluate the specific project activity and the Program as a whole. The Department will base this on information provided to us and collected from various sources.

## 1.2 About the Program

**The Program commences from 1 July 2024 to provide funding for projects to address current and emerging priorities in road infrastructure needs.**

The Program has been created as part of the Australian Government's commitment to strengthen investment to support the delivery of safer and more productive roads across Australia.

The Program is an application-based merit-assessed funding program, open to all state and territory governments and LGAs. Applications must directly address at least one of the Program's focus areas which are linked to priorities in road infrastructure needs. The focus areas are road safety, productivity, bridge renewal, road resilience, road sustainability and heavy vehicle rest area.

As the Program has been designed to give flexibility to address current and emerging road infrastructure needs, although proponents may apply for any focus area all year round, the Australian Government may from time to time choose to seek applications that address only one specific focus area as priorities emerge. For example, a tranche may only be open to applications for the replacement of timber bridges across the local road network. In addition, it is anticipated that the focus areas outlined above may be updated to accommodate future infrastructure priorities as they are identified. These changes will be communicated to proponents in advance of the tranche opening for applications.

The Program consolidates the Bridges Renewal Program (BRP) and Heavy Vehicle Safety and Productivity Program (HVSPP) into a single program, and includes additional new focus areas. Existing approved BRP and HVSPP projects will continue to be delivered under the Program until they are completed, in accordance with the guidelines and funding agreement under which they were approved.

Although the existing guidelines and funding agreement will remain in force, to streamline reporting processes under the Program, BRP and HVSPP projects will move to quarterly reporting as outlined in these Guidelines.

## 1.3 The HVRA initiative

**The HVRA initiative is a funding stream to support the construction of new and upgraded heavy vehicle rest areas.** In line with the forecasted growth in truck freight over the coming decades, the HVRA initiative aims to improve road safety for heavy vehicle drivers and other road users through addressing the shortage of heavy vehicle rest stops in locations of need. The initiative provides \$140 million of Australian Government funding over 10 years, to 2032-33.

The HVRA initiative sits under the Program with its own separate funding stream and focus area. Applications under the HVRA initiative are required to meet all requirements under the Program, directly address the Heavy Vehicle Rest Area focus area, as well as additional HVRA-specific requirements as outlined in [Appendix A](#).

Eligible applications under the HVRA initiative will be considered for funding under both the HVRA initiative and the Program, and be funded through the HVRA initiative within its budget limit in the first instance.

## 2 Eligibility criteria

This section outlines the eligibility criteria for applications under the Program. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) will only consider applications that satisfy all eligibility criteria.

### 2.1 Eligible applicants

Applications can only be made by state and territory governments and LGAs.

Applications in partnership with other government and non-government entities must have a lead applicant from a state or territory government, or LGA.

### 2.2 Eligible projects

Projects must meet all eligibility requirements detailed in this section.



#### 2.2.1 Directly address one or more focus areas

Projects must directly address one or more of the focus areas in the table below. These focus areas relate to priorities in road infrastructure needs.

Applications under the HVRA initiative must address the Heavy Vehicle Rest Area focus area (at a minimum).

| Focus Areas | Objectives   |
|-------------|--|
| Road safety | To improve road safety across Australia for all road users (including heavy vehicle users) through the improvement of road infrastructure. |

| Focus Areas                    | Objectives   |
|--------------------------------|--|
|                                | <ul style="list-style-type: none"> <li>Projects based on safety considerations and strategic alignment with existing plans (including safety plans, road safety audits and infrastructure asset reports), advocating for a systemic approach to road safety to maximise the impact of the intervention/s should be prioritised.</li> </ul>   |
| <b>Productivity</b>            | <p>To improve productivity and efficiency outcomes through connecting and improving road networks:</p> <ul style="list-style-type: none"> <li>connecting regions, communities and major gateways, growing economies and communities, or/and</li> <li>improving efficiency and competitiveness of supply chains, ensuring reliable links between producers and markets.</li> </ul>  |
| <b>Bridge renewal</b>          | <p>To improve access for communities and facilitate higher productivity vehicle access through the upgrade and replacement of bridges, including culverts.</p>   |
| <b>Road resilience</b>         | <p>To improve the resilience, including adaptation and recovery, of critical road corridors by upgrading existing road assets that are vulnerable to closure or reduced capacity, enhancing networks to achieve greater route diversity, as well as building to a higher standard where appropriate to create infrastructure which is designed to withstand and recover from disasters.</p> <p>To give consideration to future proofing infrastructure to address the impact of changes to heavy vehicle fleet, including the increased mass impacts of electric and hydrogen trucks.</p>  |
| <b>Road sustainability</b>     | <p>To contribute to decarbonisation goals by minimising or avoiding embodied, operational and/or enabled emissions. This can include:</p> <ul style="list-style-type: none"> <li>Use of low or zero emission building materials, including the use of low or zero emission recycled materials or other sustainably sourced materials.</li> <li>Use of innovative design and construction methodologies which minimise environmental impact.</li> <li>Use of local supply chains to minimise emissions in transporting materials to site.</li> <li>Incorporation of carbon offsets.</li> </ul> <p>In addressing this criterion, consider the lifecycle of the project and its inputs.</p> |
| <b>Heavy vehicle rest Area</b> | <p>To have the primary purpose of facilitating rest for heavy vehicle drivers at locations of need, through the construction or upgrade of heavy vehicle rest areas and amenities.</p> <p>(Refer to <a href="#">Appendix A</a> for more details, including the types of eligible projects.)</p>  |



Examples of potentially eligible projects under the focus areas include:

- improving road safety including the realignment of roads, shoulder sealing, rumble strips, safety barriers and median changes
- widening and sealing roads to accommodate heavy vehicle access
- construction of new or upgraded heavy vehicle rest areas
- replacement and/or strengthening of bridges, culverts, and causeways
- upgrading/raising of roads to improve flood immunity
- upgrading of roads to allow for efficient emergency response times and evacuation
- additional road linkages between communities to reduce risk of isolation during an emergency
- construction of new or upgraded vehicle wash down facilities or livestock effluent disposal facilities
- construction projects that use low or zero emission building materials, including low or zero emission building materials which used recycled materials or contribute to circular economy outcomes and
- sealing a road to reduce isolation of remote communities during the wet season.

### 2.2.2 Be for construction on an existing or proposed road

Projects must have the primary purpose of ‘construction’ (as defined in section 4(2) of the NLT Act) on a road-based asset (which meets the definition of a ‘road’ as defined in the [NLT Act](#) and the National Land Transport Regulations 2022). Construction can include both the upgrade and/or replacement of a road-based asset. However, maintenance projects are ineligible under the Program.

Non road-based elements may be eligible under the Program if they have the primary purpose of supporting a road-based element.

Examples of eligible non road-based activities include:

- a road bridge project which includes a separate pedestrian bridge where the primary aim is to improve the road bridge, and
- a heavy vehicle rest stop with functional elements such as toilets or shade areas.

Examples of ineligible non road-based activities include:

- rail bridges, where the rail line passes under/over a roadway, and
- improvements to a livestock marshalling area as it is not associated with a road.

### 2.2.3 Be on a public road

Projects must be on a publicly owned road asset which is accessible to the public. Projects on privately owned roads are ineligible.

## 2.2.4 Be a whole and complete project

The project must be a standalone project that is not reliant on the completion of other works. Artificial divisions of a larger project into smaller projects to fit under the Australian Government funding limit will be deemed ineligible.

An example of an ineligible project is an artificial sub-division of a road sealing project into smaller projects to seal smaller sections of the same road, where each project will not be complete without the other projects.

## 2.3 Funding eligibility

### 2.3.1 Funding rules

The Program is designed to support new road infrastructure projects which cannot commence without funding support from the Australian Government. The Program will not fund projects already underway, including where tenders have been awarded, construction has already commenced or will commence ahead of an application being approved and funding offer signed.

The Australian Government will only fund activities for a project once under the Program. Applicants must not make a profit from the project. The Program must not be used to cost shift business as usual expenditure to the Australian Government.

**The Program will contribute up to a maximum of \$5 million in Australian Government funding for each eligible project.**

All projects will require a funding co-contribution which may be sourced from LGAs, state and territory governments, other Australian Government programs and/or private funding sources. Applicants are required to list all funding sources being used to meet their project cost contribution in the application form.

When an application is submitted all funding co-contributions must be secured and evidence of this supplied with the application. Co-contributions from other Australian Government programs must also comply with the rules and/or guidelines for that program.

For **projects submitted by LGAs**, the Program will contribute up to 80% of the total project cost for projects located in regional and remote areas, and up to 50% of the total project cost for projects located in urban areas, up to the cap of \$5 million per project.

For **projects submitted by state and territory governments**, the Program will contribute up to 50% of the total project cost for all projects, regardless of project location, up to the cap of \$5 million per project.

The definition of regional and urban is taken from the [Australian Statistical Geography Standard](#). Urban projects are those located in Major Cities of Australia and regional projects are those in any of the other remoteness categories (Inner Regional, Outer Regional, Remote and Very Remote).

The Program funds projects under the [NLT Act](#) with approved projects to be administered under the FFA and LTIP Schedule. Payments will be made to, and through, state and territory governments.

Where the applicant is an LGA, the relevant state or territory government will be the eligible funding recipient under the NLT Act, and responsible for providing the funding to the LGA. The Australian Government will not provide funding directly to LGAs.

### 2.3.2 Eligible and ineligible project costs

Eligible project costs are limited to those which are for ‘approved purposes’ in relation to a funded project in accordance with Part 3 s 20 of the NLT Act. The table below lists examples of project costs likely to be eligible and ineligible.

| Eligible project costs  | Ineligible project costs  |
|---|---|
| <ul style="list-style-type: none"> <li>• purchase of materials</li> <li>• labour hire</li> <li>• plant and equipment hire</li> <li>• construction activities</li> <li>• project management costs</li> <li>• labour costs for eligible work</li> <li>• ancillaries directly related to the project, such as insurance costs</li> <li>• land acquisition costs, but only in relation to the purchase of the land related to the project site</li> </ul> | <ul style="list-style-type: none"> <li>• Maintenance/repair costs for an existing asset</li> <li>• approval costs for the project (i.e. planning, environment, cultural, etc)</li> <li>• procurement costs</li> <li>• preliminary project costs incurred prior to the funding offer being signed (i.e. inspections, engineering assessments, consultant fees)</li> <li>• business as usual expenditure that is unrelated to the project, such as training costs for staff.</li> </ul> |

### 2.3.3 Specific funding eligibility issues

#### Pre-construction design costs

Design costs are eligible for funding for design and construction projects, up to 10% of the total Australian Government funding under the Program.

For construction only projects, design costs are ineligible for funding, except in unexpected circumstances after construction has commenced, and as agreed with the Department on a case-by-case basis.

Design only projects are ineligible.

#### Internal costs

Subject to the NLT Act, costs which are internal to the organisation applying for funding may be included where those costs can be attributed to the project. For example, it is possible to claim the costs of a project manager already employed by an LGA, where the time spent by that person on the project can be identified. The Department may require the applicant to provide evidence to substantiate the amount it is claiming.

Internal costs which are ineligible include those not directly related to the project, such as training undertaken by members of the project team.

## 2.4 Project delivery timeframes

The Program funds ‘construction only’ projects and ‘design and construction’ projects, with specific timeframes for delivery for each type of project shown in the table below. Note that delivery timeframes commence from the date the Department sends out the funding offer. Proponents have 30 calendar days from the date the funding offer is sent out to complete, sign and return the funding offer to the Department.

| Delivery milestone       | Construction only projects                           | Design and construction projects                     |
|--------------------------|--|--|
| To complete design       | Not applicable                                       | Within 12 months of the funding offer being sent out |
| To commence construction | Within 12 months of the funding offer being sent out | Within 24 months of the funding offer being sent out |
| To complete construction | Within 24 months of the funding offer being sent out | Within 36 months of the funding offer being sent out |

An acceptable Post Completion Report must be provided within three months of completion of construction for each project.


In the case of unforeseen factors such as adverse weather events, it may be possible to vary the timeframe for a project to up to three years for a construction only project and up to four years for a design and construct project, which must be agreed with the Department on a case-by-case basis. See [section 8](#) for more details.

## 3 Application process

The Program is an application-based merit-assessed funding program, open for applications all year round. Applications are batched for assessment approximately three times a year, depending on the volume of applications. The diagram below provides an overview of the process, as well as approximate timeframes for assessment and approval.

## Applications accepted all year round

Applications are batched for assessment up to 3 times a year in tranches

|  <b>Tranche 1</b>  | <b>Tranche 2</b>  | <b>Tranche 3</b>  |
|---|---|---|
|  Projects checked for eligibility and assessed (up to 6 weeks) |  |  |
|  Recommendation and approval process (up to 4 weeks)           |  |  |
|  Applicant informed of outcomes and funding offers sent out    |  |  |

When submitting an application, consideration should be given to the assessment and approval timeframes if seasonal construction periods are applicable to the project.

### Scenario: Determining a project commencement date for an application

Peter is putting together an application on behalf of the state government he works for. He is intending to submit the application under the current tranche which closes on 31 March. Considering the approximate 12 weeks needed for the assessment and approval processes, as well as potential weather-related project delays in the colder months of the year, Peter has planned for a project commencement date of 1 September and noted this date in the application form.

## 3.1 How to apply

### Step 1: Check eligibility

Review the eligibility criteria in these guidelines (refer to [section 2](#)) against the proposed project to confirm it satisfies all eligibility criteria prior to submitting an application.

#### Tips:

- Use the eligibility checklist in the application form.

### Step 2: Prepare an application

Applications must include:

- A fully completed application form, which can be downloaded from the [Department's website](#), addressing the assessment criteria. All fields in the application form need to be completed correctly to enable the application to be assessed.
- Attachments of all information and documentation that may assist with the assessment of the application. The naming of attachments should align with the purpose of the document.

- Mandatory evidence as stated in these guidelines (refer to [section 3.2](#)) must accompany the application form.

Note that incomplete or incorrect applications may be deemed ineligible.

**Tips:**

- When determining project commencement and completion dates, consider timeframes for the assessment and approval of the application as well as any weather-related issues that may affect the commencement of the project, and the timeframes allowed for delivery.
- Use the prompts in the application form to assist with structuring responses.
- Provide an answer to every relevant field in the application form.

### Step 3: Submit the application

All applications must be submitted through the Department's online portal unless otherwise advised by the Department. The Department may refuse to assess an application sent outside the portal.

**Tips:**

- If there are issues submitting an application on the portal, including attaching mandatory evidence and supporting documentation, email [IMSHelp@infrastructure.gov.au](mailto:IMSHelp@infrastructure.gov.au) for help.
- If the Department issues advice that applications can be submitted via email for a specific time period, follow that advice.

## 3.2 Mandatory attachment

Applications that do not include evidence of secured co-contribution(s) (mandatory attachment) cannot be assessed and will be deemed ineligible. Co-contribution funding for the project must have been secured prior to submitting the application.

- Examples of acceptable evidence include official letters and budget papers.

## 3.3 Assessment criteria

All applications must address the first three criteria below and provide evidence to support the responses. Applications under the HVRA initiative funding stream must also address criterion 4. The criteria are weighted equally.

### Criterion 1: Strategic fit

Outline the rationale for the project, why there is a strong case for action, how it will achieve the stated objectives, and how it meets the needs of the community.

- State which focus area(s) the project aligns with and the outcomes it aims to achieve.
- Explain the case for change, including what the problems and opportunities are, and how the works will address the issue/s.
- Justify why the proposal is the most appropriate response to address the issue/s and opportunities.

- Explain how the project directly contributes to relevant national, state, territory and local government goals, objectives, policies and strategic plans.
- State if there is sufficient support for the proposal and buy-in from stakeholders and the community, noting how it responds to their needs.

### **Criterion 2: Project impact and benefits**

Demonstrate the social, economic and environmental value of the project with evidence-based analysis. This includes direct project benefits as well as benefits during the construction of the project.

- Explain if and how the proposal provides social benefits, including improving the quality of life for users, providing safety and accessibility benefits and/or advancing equity for Indigenous Australians and vulnerable communities.
- Explain if and how the proposal provides economic benefits, including productivity and efficiency benefits, employment benefits and regional significance benefits.
- Explain if and how the project will impact the environment and if a plan is in place to manage any adverse impacts.

### **Criterion 3: Project deliverability**

Demonstrate the capability and capacity to deliver the project, including mitigating identified risks.

- Outline the plan to deliver the project by its proposed timeframes.
- Detail the skills, capacity and experience of those being engaged to deliver the project.
- State if the required approvals to deliver the project successfully have been obtained, including development, cultural and environmental approvals. If they have not been granted, outline when they will be sought and expected timeframe for approvals.
- State if land acquisition and/or the relocation of utilities is required, and if consent has been provided. If it has not been provided outline when it will be sought and expected timeframe for consent to be granted.
- Explain the size and adequacy of the project budget, including allowances for contingency.
- Outline the governance and how it is appropriate for successful delivery of the project.
- Outline the procurement model for the project and how it may contribute to wider outcomes (listed under [section 13](#)) as well as deliver value of relevant money.
- Outline project risks and mitigation strategies, including where there may be project delays, cost overruns and/or changes in scope.

### **Criterion 4 (HVRA-specific only): Improvement to the Heavy Vehicle Rest Area network across Australia**

Demonstrate how the project improves the usability or capacity of the rest area network across Australia in a way that is fit for purpose, and meets the needs of truck drivers for the specific location proposed.

- Provide information on the current and future maximum vehicle sizes the site will cater for (only for formal rest areas).
- Provide information if the site will have separate parking areas for the different types of traffic and the signage that will be installed (only for formal rest areas).

- Detail the ongoing maintenance plan for the asset (only for formal rest areas).
- Provide information about the closest alternative facilities to the proposed site (only for formal rest areas).
- Provide information if the project will repurpose or enhance existing roadside facilities as a way to lower costs (only for formal and informal rest areas).
- Detail how green reflectors and signage will be installed (for informal rest areas and signage/green reflector upgrades).
- Provide metrics related to the type of project (formal rest area / informal rest area / signage and green reflector upgrades).

### 3.4 Merit assessment

The Department will review all applications against the eligibility criteria. If eligible, applications will be assessed against the assessment criteria (see section [3.3](#)) and against other applications. The Department will consider each application on its merits, based on:

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

When assessing the extent to which the application represents **value of relevant money**, the Department will have regard to:

- the overall objective/s to be achieved in providing the funding
- the relevant value of the funding sought
- the extent to which the evidence/information/analysis in the application demonstrates that it will contribute to meeting the outcomes/objectives.

In addition, the Department will also consider proper use of relevant money in accordance with the *Public Governance, Performance and Accountability Act 2013*.

The Department may contact applicants to clarify information provided in the application, however for probity and to avoid bias, it will not consider new or additional information after the tranche that the application has been submitted under has closed.

### 3.5 Ministerial decision making

Upon completion of assessment of a tranche of applications, the Department will recommend projects, to the Minister or their delegate for approval, taking account of the program budget.

The Minister or their delegate will make the final decision on projects funded under each tranche.

### 3.6 Notification of outcomes

Following the Minister's decision, the Department will contact all applicants to advise of the outcome of their application/s under each tranche.



### 3.7 Feedback and re-submissions

Applicants with unsuccessful applications will be offered feedback and have the option to revise and re-submit their application/s under a future tranche.

The Department will not keep a reserve list of projects. As costs for projects can change significantly and other factors can shift over time, applicants will need to re-submit an application for funding if an application is unsuccessful to ensure information upon approval remains current.

## 4 The Funding Offer

When an application is approved, the proponent will receive a funding offer from the Department. The funding offer will contain schedules detailing matters including the project scope, project budget, deliverables, milestones and payment. If any of the details in the funding offer are incorrect, please contact the Department to be issued an amended funding offer.

The proponent will need to complete, sign and return the funding offer to the Department within 30 calendar days from when the funding offer is sent out. The Department will review the completed funding offer and advise in writing via email to the nominated contact/s when it is approved.

Where a proponent does not return the funding offer within the 30-day timeframe specified, the Department will contact the proponent, and may withdraw funding for the project.

Funding offers with LGA proponents will be shared with their relevant state or territory government agency to assist with the management of project payments.

#### **Construction only projects**

Proponents **must not** commence construction without the Department's written advice of acceptance of the signed funding offer. Commencing construction before this time may result in the withdrawal of the funding offer or non-payment for costs incurred.

For this purpose, construction includes all site works, including works required to move utilities, fabrication of major components off-site, and acceptance of any contracts.

#### **Design and construction projects**

For design and construction projects, design may commence prior to approval, however only design work undertaken after approval will be eligible for funding.

Following the design stage of a project, if the cost estimate for construction is within the approved project budget, it may continue onto construction. However, if the cost estimate for construction is more than the approved project budget, or if the project scope has changed significantly, the proponent may either:

- Have the project proceed to construction, with the proponent bearing any additional costs above the approved funding amounts.

- Submit a project variation request within four weeks of the time it became known the project could not be delivered according to the funding offer. The request will be considered by a delegate who holds complete discretion to approve or reject the request.
- Engage with the Department for other options, including to withdraw the project if a contract for construction has not been awarded. If a contract for construction has been awarded the project may be cancelled, in line with the LTIP Schedule.

In any of these circumstances, the proponent should contact the Department within two weeks of the issue being identified, to discuss and agree an approach.

## 5 Milestone payments

### 5.1 Default milestone schedule

#### Large projects (over \$200,000)

Projects with \$200,000 or more Australian Government funding will have default milestone payment schedules as per the table below.

| Milestone                             | Construction only projects           | Design and construction projects                   |
|---------------------------------------|--------------------------------------|--|
| Completion of pre-construction design | Not applicable                       | <u>up to</u> 10%* of Australian Government funding |
| Commencement of construction          | 40% of Australian Government funding | 40% of Australian Government funding               |
| Completion of construction            | 40% of Australian Government funding | 30% of Australian Government funding               |
| Acceptance of Post Completion Report  | 20% of Australian Government funding | 20% of Australian Government funding               |

\*Only actual design expenditure will be paid. Savings under the design milestone may be used to finance construction overruns if valid evidence for the expenditure is provided.

#### Scenario: Milestone payment claim for design costs

Hannah works for an LGA and manages a design and construction project under the Program. Her project's milestone payment schedule is as below:

| Milestones   | Amount payable  |
|--|-----------------|
| Milestone 1: Completion of pre-construction design | Up to \$100,000 |
| Milestone 2: Commencement of construction          | \$400,000       |

|   |                    |
|---|--------------------|
| Milestone 3: Completion of construction           | \$300,000          |
| Milestone 4: Acceptance of Post Completion Report | \$200,000          |
| <b>Total Australian Government Funding</b>        | <b>\$1,000,000</b> |

Pre-construction design for the project has just been completed with a total cost for design of \$80,000. Although the milestone payment schedule indicates that the Department will pay up to \$100,000 for design costs, Hannah is only able to claim \$80,000 as it is actual design expenditure.

There will be \$20,000 savings under the design milestone. For this project, \$900,000 of Australian Government funding has been allocated to construction costs. If construction costs for the project exceeds \$900,000, Hannah will be able to use the \$20,000 savings under the design milestone against the construction milestone payments, if valid evidence for the expenditure is provided.

### Small projects (less than \$200,000)

By default, smaller projects with less than \$200,000 in Australian Government funding will have a single financial milestone, payable on completion of the project and presentation of an acceptable Post Completion Report, unless otherwise agreed with the Department.

## 5.2 Achievement of milestones

Payment will be made on the basis of achievement of milestones according to the milestone payment schedule in the funding offer. All Australian Government funding is Goods and Services Tax (GST) exempt.

Milestone claim forms must be submitted for each payment using the Department's Milestone Claim Form on the [Department's website](#). Proponents must provide evidence to support the claim that the milestone has been achieved for payment to be made. The Department has the discretion to accept or reject the evidence provided, or update the requirements for evidence.

In order to reduce reporting requirements, proponents may wish to consider aligning milestones with the quarterly reporting timeframes of February, May, August and November.

The Post Completion Report template is also available on the [Department's website](#).

The table below provides a guide to the evidence that is required for each milestone type, to be submitted with the Milestone reporting form.

| Milestone                                    | Required mandatory evidence   |
|--|---|
| <b>Completion of pre-construction design</b> | <ul style="list-style-type: none"> <li>Evidence of the completion of design (e.g. samples of design drawings).</li> <li>Provision of an invoice or expenditure report on design costs.</li> </ul> |
| <b>Commencement of construction</b>          | <ul style="list-style-type: none"> <li>Photographic evidence of installed signage (see <a href="#">section 12</a>)</li> </ul>   |

| Milestone                                   | Required mandatory evidence   |
|---|---|
|   | <ul style="list-style-type: none"> <li>Evidence that work has advanced towards construction, such as commencing earthworks or delivery of machinery on site, including photographic evidence.</li> </ul> <p><i>To note:</i></p> <ul style="list-style-type: none"> <li><i>The clearing of debris on site cannot count as commencement of construction.</i></li> <li><i>If pre-fabricated components have been ordered, the Department may consider a partial milestone payment. The Department can only pay the entire commencement milestone when construction has commenced on site.</i></li> <li><i>Pictures that show the anticipation of work commencement is not sufficient proof that work has commenced.</i></li> </ul> |
| <b>Completion of construction</b>           | <ul style="list-style-type: none"> <li>Photographic evidence showing the site before works commenced, and after the project has been completed.</li> <li>Documentation to support completion i.e. letter from contractor notifying of completion, or final invoice etc.</li> </ul> <p><i>To note: Consistent with the signage guidelines (refer to <a href="#">section 12</a>), signage must be displayed for the duration of the construction period.</i></p>  |
| <b>Acceptance of Post Completion Report</b> | <ul style="list-style-type: none"> <li>A completed Post Completion Report</li> <li>Provision of an expenditure report for the project</li> </ul>  |

### 5.3 Payment of milestones to LGAs

Payments to LGAs will be managed by state and territory governments through the LTIP Schedule.

Where projects are led by LGAs, payments will be made to the relevant state/territory government agency, which will then make payments to the relevant LGA. The state/territory government agency may have additional requirements of the LGA before funds can be paid, such as the provision of an invoice. Payment arrangements must be made directly between the LGA and state/territory government agency.

## 6 Funding amount/percentage of Australian Government funding

The funding amount for the project is set out in the funding offer. This is a maximum amount of Australian Government funding and can only be increased through an approved project variation request (see [section 9](#)), to a maximum of \$5 million per project. All funding amounts and claims for payment are GST exclusive and paid in whole dollar amounts only.

Increases in Australian Government funding must be approved by the Minister or their delegate.

The percentage of Australian Government funding for each project is set out in the funding offer. It can be reduced or maintained through an approved project variation request where funding changes, however the percentage cannot be increased. See [section 2.3](#) for the maximum percentages of Australian Government funding for projects.

## 6.1 Projects over budget

Notwithstanding exceptional circumstances which may give rise to project variations (see [section 9](#)), all costs over the original project budget are the responsibility of the proponent. Where a project goes over budget, additional funds from the Australian Government will be at the Minister's or their delegate's discretion and must be sought through a project variation request.

## 6.2 Projects under budget

In the event an approved project is completed under the original budget, the savings must be shared proportionally between the Australian Government and the proponent in accordance with the funding percentages set out in the funding offer. As a result, projects completed under budget will not receive the maximum amount of Australian Government funding amount outlined in the funding offer.

Proponents cannot use the Australian Government component of cost savings towards other projects.

The following scenario provides an example of how project savings are managed.

### Scenario

An LGA proponent has a project in an urban location with a total project cost of \$1,000,000.

The approved Australian Government funding in their funding offer is \$500,000, or 50% of total project costs. The remaining project costs are borne by the proponent and state government partner.

At the completion of the project, it has been delivered under budget at a total project cost of \$800,000.

Based on the 50:50 funding split in the funding offer, the savings of \$200,000 are split equally between the Australian Government and the proponent so that the Australian Government funding would be reduced to \$400,000 (or 50% of total project costs). The proponent and any other funding contributors would fund the remaining project costs of \$400,000 (or 50% of total project costs).

## 7 Project costs

Examples of costs which are likely to be eligible and ineligible project costs under the [NLT Act](#) are listed in [section 2.4](#). If a proponent requires advice about the eligibility of project costs, they can contact the Department (see [section 16](#)). The application form includes a proposed budget including a breakdown of costs which should be developed using a rigorous cost estimation process to avoid cost overruns. The Department has recommended a range of contingency amounts that is based on current construction trends. The proponent is required to provide a rationale for the contingency amount selected in the application form and may be asked for further details on how the estimate was developed during the assessment process.

### 7.1 Financial records

Proponents must keep financial records for each project and be able to accurately report on costs. Proponents will be asked to provide a copy of the expenditure report, including the dates the expenses were incurred for each project, to substantiate the final payment for the project.

### 7.2 Acquittal of project funds

As part of the Post Completion Report requirements, the Department will require an acquittal of costs incurred and funding used against the cost estimates submitted with the original application and any subsequent approved variations. The final acquittal should include where contingency has been used and an explanation of why it was required.

## 8 Reporting and evaluation

Proponents have obligations to report on the status of their projects as outlined below.

### 8.1 Quarterly reporting

Proponents are required to provide quarterly reports in February, May, August and November on the status of their project(s), including information on project progress, timelines (including if milestones are still on track), risks and finances (including if it is anticipated a project will have cost overruns or savings). State and Territory governments must report using the Department's Reporting Form, which can be downloaded through the Department's online portal.

LGA proponents must report through their relevant State or Territory government, using the Department's Reporting Form which can be downloaded from the [Department's website](#).

### 8.2 Ad-hoc reporting

If there is material change to projects outside of the quarterly reporting period, proponents must inform the Department as soon as practicable (see [section 16](#)).

Examples of incidents that require ad-hoc reporting to the Department include:

- Change of senior personnel on the project, such as the project manager.
- Change to the funding sources for the project, such as the granting of further funding from other sources or changes to the co-contributor.
- Changes to the scope, timeframe, or cost of the project (both increases and decreases). These changes must be approved by the Department before being delivered.
- Issues that are likely to impact the delivery of the project (e.g. extreme weather, natural disasters or unforeseen project management issues).
- Events to be held in relation to the project or communications to be issued about the project (see [section 11](#)).

If a proponent is unsure whether it needs to do an ad-hoc report for its project, it should contact the Department.

## 8.3 Evaluation

Evaluation of the outcomes of the Program may be undertaken from time to time and proponents may be required to provide additional information for evaluation. Where possible, the Department will use data already available to the Department.

## 9 Project variations

The Department recognises that unexpected events may affect delivery of the project. In these circumstances, the proponent must submit a project variation request, including:

- Changing the project name
- Changing the project scope, including increasing, decreasing and re-scoping
- Extending project delivery timeframes
- Changing project budget, including any changes to Australian Government funding and co-funding contributions

Project variations must be requested through the Department's Project Variation Form which can be downloaded from the [Department's website](#).

Project variations must be sought as soon as practicable and within four weeks of the time that the proponent becomes aware of any changes to the approved project, and prior to the completion of the construction of the project. After the construction of a project has been completed, the Department will only consider project variation requests with valid reasons, on a case by case basis.

Where there are cost overruns on a project, the proponent must investigate other options to meet the cost increase for the project before seeking a funding increase from the Department.

Increases to Australian Government funding under the Program will only be considered:

- if regular, accurate reporting has been maintained;
- where the increase is the result of an exceptional, unforeseen circumstance that is outside the control of the funding recipient; and

- upon formal request in writing to the Department.

Project variations must be approved prior to any change in work. Proponents should not assume that a variation request will be successful. Regular reporting and engagement with the Department must be maintained through the project's life to be eligible for variations. The Minister or their delegate has complete discretion to approve or reject requests, noting the project must always represent good value for money.

Where a request for a project variation is rejected, the proponent will need to contact the Department to discuss options to deliver the project, including re-scoping the project or consideration of withdrawal or cancellation of the project.

If required variations are not sought by the proponent and approved by the Department, funding for the project may be withdrawn. Australian Government funds from completed, withdrawn or cancelled projects cannot be redirected to other approved projects.

## 10 Withdrawal and Cancellation of projects

Proponents may request to withdraw a project using the Department's Project Withdrawal Form which can be downloaded from the [Department's website](#). The Department may request the withdrawal or cancellation of a project under specific circumstances.

The Department considers the term *withdrawal* to refer to a project which has had no Australian Government funding paid towards it. Conversely, the Department considers the term *cancellation* to refer to a project where Australian Government funding has been paid.

In circumstances where funding has been paid towards a project, the Department will work with the proponent to understand the circumstances of the project and review the eligibility of the costs incurred on a case-by-case basis. This will include an assessment of milestone payments that have been made, with consideration given to whether reimbursement of Australian Government funding is required.

The maximum amount the Australian Government will contribute is the amount of the funds already paid or the percentage of the expenditure already incurred, whichever is the lower amount.

Withdrawn or cancelled projects may be a factor in the assessment of future project applications from relevant proponents.

## 11 Events, announcements, promotions and publicity

If a proponent proposes to hold a works commencement ceremony, opening ceremony, or any other event in relation to the project they must inform the Department at least four weeks before the proposed event is to be held. Details of the proposed event should be sent to [events@infrastructure.gov.au](mailto:events@infrastructure.gov.au), and they will liaise with the appropriate Australian Government official on the proponent's behalf. If requested by the Department or Australian Government representative, proponents are expected to arrange a joint event.



Any public statement about the project is expected to acknowledge Australian Government funding, and must be cleared by the Department prior to use. A draft should be provided to [media@infrastructure.gov.au](mailto:media@infrastructure.gov.au) at least five days prior to its proposed release.

If a proponent proposes to issue any other communications, displays, publications or advertising relating to the Project, they should acknowledge and give appropriate recognition to the contribution of the Australian Government. A draft should be provided to [events@infrastructure.gov.au](mailto:events@infrastructure.gov.au) at least five days prior to its proposed release.

## 12 Signage requirements

Proponents must install signage prior to the commencement of construction of a project in accordance with the [Signage Guidelines](#) available on the Department's website. Proponents are required to submit final proofs of signs and plaques to [events@infrastructure.gov.au](mailto:events@infrastructure.gov.au) for clearance prior to production and installation. Proponents should ensure their manufacturing timetable deadlines include sufficient time for comment and approvals from the Department (5 working days may be required).

## 13 Procurement

Proponents must procure all elements of the project through a competitive process, or seek a tender exemption from the Department's website. If a procurement does not exceed \$100,000, a tender exemption is not required.

In undertaking projects funded under this Program and the HVRA initiative, proponents must comply with the rules and guidelines in their state or territory for the expenditure of public money and the procurement of good and services.

Consistent with procurement requirements outlined in the LTIP Schedule, taking into account the opportunities and market capabilities in their respective jurisdictions, proponents should optimise procurement practices to enable the wider outcomes listed below and deliver value of relevant money:

- a) An uplift in socioeconomic outcomes for First Nations people and businesses and First Nations cultural heritage protection, in line with Closing the Gap and consistent with the revised First Nations policy framework to be developed and agreed by all jurisdictions by the end of 2024;
- b) A reduction in embodied carbon in transport infrastructure in line with Australia's Net Zero commitments;
- c) An increase in women's participation at all levels of the construction industry;
- d) Optimising recycled content in transport infrastructure to support Australia's transition to a circular economy by 2030;
- e) Optimising opportunities for Australian and local businesses and industry; and
- f) Optimising opportunities for trainees and apprentices, including Australian Skills Guarantee targets, to ensure a pipeline of skilled workers.

## 14 Construction Standards

All construction must comply with relevant standards in place at the time of construction, including construction standards, building codes and work, health and safety requirements.

## 15 Administration

### 15.1 Amendment of the Guidelines

The Australian Government may amend these Guidelines from time to time. Proponents must comply with updated Guidelines from the time they are published. Updates will be communicated and published via the [Department's website](#).

### 15.2 Confidentiality

Information from applications may be used for reporting purposes. In addition, the details of funded projects, including the program name, project scope, funding recipient and project costs, will be made publicly available on the Department's website.

Applicants should identify any information which they are proposing to submit which they wish to be considered as confidential, supported by reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat information as confidential. The *Privacy Act 1988* applies to the handling of personal information about individuals obtained in the course of the delivery of the Program.

Information received (including confidential and personal information) may be disclosed by the Commonwealth as permitted or required by law, or in response to a request from a Commonwealth Minister, or from a Committee or a House of the Parliament of the Commonwealth of Australia.

### 15.3 Probity

It is important that the Australian Government avoids bias and the perception of bias and other probity issues in the operation of this Program.

Any information which may have a material impact on the decision to approve an application must be disclosed in the application. This includes any actual or perceived conflicts of interest.

Failing to declare relevant information or making a false declaration on the application may make it ineligible.

## 16 Enquiries about the Program and the HVRA

For questions in relation to the Program and the HVRA initiative, please contact the Department by email.

For general enquiries or questions related to applications: [SLRIP-applications@infrastructure.gov.au](mailto:SLRIP-applications@infrastructure.gov.au).

For matters related to approved projects: [SLRIP-projects@infrastructure.gov.au](mailto:SLRIP-projects@infrastructure.gov.au).

## 17 Glossary

| Term                                 | Definition   |
|--------------------------------------|--|
| <b>Applicant</b>                     | The Local Government Authority, state or territory government agency that submits the application. Applications with multiple co-funding partners must have a single applicant that submits the application.   |
| <b>Application</b>                   | A completed application form, and associated documents, requesting funding under the Program or the HVRA initiative. Once approved, applications become projects.  |
| <b>Australian Government funding</b> | The Australian Government funding amount and percentage committed to a project under the Program.  |
| <b>Bridge</b>                        | <p>For the purposes of this Program a bridge may be either a road bridge or a culvert. A road bridge is a structure that is designed to carry a road across an obstacle by spanning it. A culvert is a structure designed to allow the passage of water under a road. A key engineering difference between a bridge and a culvert is that a bridge does not have a structural floor whereas a culvert does.</p> <p>(Definition taken from Austroads Engineering Guidelines to Bridge Asset Management – Guideline AP-G94-21)</p> |
| <b>BRP</b>                           | Bridges Renewal Program  |
| <b>Commencement Date</b>             | The expected start date for the project activity.  |
| <b>Completion Date</b>               | The expected end date for the project activity.  |
| <b>Conflict of Interest</b>          | The exercise of a power or making of a decision by a person in a way that may be, or may be perceived to be, influenced by either a material personal interest (whether financial or non-financial) or a material personal association   |
| <b>Design</b>                        | The plans, specifications and other related materials which together provide the instructions for construction of the project.   |
| <b>Eligible applications</b>         | An application or proposal for funding under the Program that meets the eligibility requirements in accordance with these guidelines.  |
| <b>HVSPP</b>                         | Heavy Vehicle Safety and Productivity Program  |
| <b>HVRA</b>                          | Heavy Vehicle Rest Area initiative   |
| <b>Infrastructure</b>                | Physical structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a community   |

| Term                            | Definition  |
|---------------------------------|---|
| LGA                             | Local Government Authority  |
| State and Territory Governments | <p>State and Territory Governments are the:</p> <ul style="list-style-type: none"> <li>• Australian Capital Territory Government</li> <li>• New South Wales Government</li> <li>• Northern Territory Government</li> <li>• Queensland Government</li> <li>• South Australia Government</li> <li>• Tasmanian Government</li> <li>• Victorian Government</li> <li>• Western Australia Government</li> </ul> |
| The Department                  | The Department of State of the Commonwealth administered by the Minister (currently the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.   |
| The Minister                    | The Minister of State of the Commonwealth who administers the <i>National Land Transport Act 2014</i>   |
| The Program                     | The Safer Local Roads and Infrastructure Program  |
| The Proponent                   | The Local Government Authority, state or territory government agency delivering the project   |
| Value of relevant money         | Value of relevant money is a judgement based on the application representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations.   |

# Appendix A - Heavy Vehicle Rest Area (HVRA) initiative

Applications under the HVRA initiative funding stream will need to fulfil all requirements in the main guidelines, directly address the Heavy Vehicle Rest Area focus area (refer to [section 2.2.1](#)), as well as the additional HVRA-specific requirements detailed below.

Eligible applications under the HVRA initiative will be considered for funding under both the HVRA initiative and the Program, and will be funded through the HVRA initiative within its budget limit in the first instance.

## A.1 HVRA-specific focus area

Projects under the HVRA initiative funding stream must have the **primary purpose of facilitating rest** for heavy vehicle drivers at locations of need, through the construction or upgrade of heavy vehicle rest areas and amenities, improving the national network of heavy vehicle rest stops.

There are three types of eligible projects under the HVRA initiative:

1. Formal rest areas (upgrade or new)
2. Informal rest areas (upgrade or new)
3. Rest area signage only (including green reflectors).

The [Austroads Guidelines for the Provision of Heavy Vehicle Rest Area Facilities \(2019\)](#) provides guidance on various types of HVRAs including information on signage and green reflectors. The definitions for formal and informal rest areas are detailed at pages 13 and 14 of the guide.

Projects that do not have the primary purpose of facilitating rest for heavy vehicle drivers are ineligible under the HVRA initiative funding stream. Ineligible projects under the HVRA initiative may be eligible under the Program if all other requirements are met.

Examples of eligible projects include:

- construction of new rest areas
- expansion of existing rest areas
- upgrading of informal rest areas (including if they remain informal)
- projects which improve signage for formal and informal rest areas (e.g. green reflectors).

Examples of ineligible projects include projects that are not designed for rest:

- decoupling/changeover bays
- truck wash facilities and stand-alone effluent disposal facilities.

## A.2 HVRA-specific assessment criterion

### Criterion 4: Improvement to the heavy vehicle rest area network across Australia

Demonstrate how the project improves the usability or capacity of the rest area network across Australia in a way that is fit for purpose, and meets the needs of truck drivers for the specific location proposed.

- Provide information on the current and future maximum vehicle sizes the site will cater for (only for formal rest areas).

- Provide information if the site will have separate parking areas for the different types of traffic and the signage that will be installed (only for formal rest areas).
- Detail the ongoing maintenance plan for the asset (only for formal rest areas).
- Provide information about the closest alternative facilities to the proposed site (only for formal rest areas).
- Provide information if the project will repurpose or enhance existing roadside facilities as a way to lower costs (only for formal and informal rest areas).
- Detail how green reflectors and signage will be installed (for informal rest areas and signage/green reflector upgrades).
- Provide metrics related to the type of project (formal rest area / informal rest area / signage and green reflector upgrades).

### A.3 HVRA-specific construction requirements

Successful projects under the HVRA initiative funding stream must fulfil the mandatory construction elements below.

#### For formal rest areas:

- The rest area must be named, and include a sign indicating that name.
- There must also be a sign indicating the distance to the next Heavy Vehicle Rest Area on the route, in both directions.
- Where a rest area includes different zones for different types of vehicle, signage must be installed directing drivers to those zones e.g. livestock trucks, caravans/motorhomes, effluent dump.

#### For informal rest areas:

- Green reflectors must be provided on the approaches to the rest area.