

# Small Towns Water Quality Fund

## Guidelines

Our Water Our Future

A Victorian  
Government  
initiative



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## 1. SUMMARY OF KEY INFORMATION

### 1.1. Submission of a Registration of Interest

Complete the Registration of Interest – Small Towns Water Quality Fund and attaching requested supporting documentation.

Registration of Interest forms can be downloaded at [www.ourwater.vic.gov.au](http://www.ourwater.vic.gov.au) or can be requested via email from [vivian.c.amenta@dse.vic.gov.au](mailto:vivian.c.amenta@dse.vic.gov.au) or [max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au).

Completed Registration of Interest forms should be submitted by **COB 1 September, 2010** and Business Cases should be submitted to the Department of Sustainability and Environment (DSE) by **COB, 1 December 2010**.

Electronic submission to [vivian.c.amenta@dse.vic.gov.au](mailto:vivian.c.amenta@dse.vic.gov.au) or [max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au).

**Or**

Hard copy documentation to Small Towns Water Quality Fund, DSE, 600 Sneydes Rd., Werribee, Vic 3030

### 1.2. Registration of Interest Timetable

#### 1.1.1 Round 3

The timetable for the Registration of Interest for Round 3 is as follows:

ACTIVITY	WHEN
Last day for submission of Registration of Interest (RoI)	<b>1 September 2010</b>
<b>Last Day for Submission of Business Cases</b>	<b>1 December 2010</b>
Acknowledgement of receipt of the RoI	7 September 2010
Assessment of Business Cases	Dec - Mar 2011
Notification of Status and Offers of Funding	April 2011

#### 1.1.2 Round 4

There will be a fourth round offered in 2011.

### 1.3. Assessment of Registration of Interest

Eligible projects must meet, as a minimum, the following criteria:

- Funds are to be used for the implementation phase
- All proposals are expected to have a developed Business Case
- The STWQF will provide 1:1 matching funding up to \$1 million per project
- The STWQF is open to water corporations and local government in regional areas

- Eligible project categories are on a township basis for:
  - water supply security improvements
  - water supply quality improvements
  - new water services
  - septic tank upgrades
  - small town wastewater solutions
- Meets the following fund objectives:
  - results in service improvement
  - provides value for money investment
  - provides public and environmental health protection

Successful applicants will receive notification and an offer of funding for the implementation phase. Successful applicants will be required to enter into a funding agreement (Attachment C is provided for information only) with DSE.

## **2. SMALL TOWNS WATER QUALITY FUND**

### **2.1. Background**

The Victorian Government White Paper *“Our Water Our Future”* committed to providing safe and reliable water and sewerage services to small country towns.

The initial capital and the ongoing operational costs of providing traditional water and sewerage services to small country towns are not economical. As a result, services may be under developed, causing public health and environmental problems. Solutions are needed for problem areas including, coastal towns where the use of septic tanks is contaminating groundwater; towns in high rainfall areas where there is limited opportunity for evaporative disposal of wastewater; or towns on steep slopes with a potential for land slippage and small areas of a township that pose a risk with respect to public health and the environment.

In 2004, the Victorian Government announced \$42 million under the Victorian Water Trust Country Towns Water Supply and Sewerage Program to provide services to country towns with critical public health and environmental issues. The program is now helping fund 52 water supply and sewerage schemes.

In the May 2007 Victorian State Budget, the Government committed a further \$20 million for water supply and domestic wastewater improvement projects over the next four years. This commitment will be delivered under the Small Towns Water Quality Fund and managed by the DSE. The Fund is being rolled out in three rounds and will complement the projects and progress achieved under the Country Towns Water Supply and Sewerage Program.

The Fund will support projects in rural towns across the State and promote innovative and sustainable water supply and wastewater solutions.

The Fund is seeking projects that will “lead the way” in achieving significant reductions to public health problems and environmental impacts.

The Fund values projects that enhance the total water cycle, focusing on using water as a resource in its entirety and improves the quality of water that ends up in our rivers and creeks.

Registrations of Interest are invited from water corporations and local government that have community support, to implement innovative technologies in the provision and implementation of water and sewerage services to small Victorian country towns.

Round 1 of the Fund was completed in 2009 and 22 submissions were received from water corporations and councils. DSE provided funding to the following 8 water supply and wastewater projects across the state.

- Walwa sewerage scheme
- Bemm River sewerage scheme
- Avoca desalination plant
- Eskdale water supply scheme
- Apsley wastewater improvement project
- Goroke wastewater improvement project
- Harrow wastewater improvement project and
- Snake Valley sewerage project

Round 2 of the fund was completed 2010 and 13 submissions were received from water corporations, DSE provided funding to the following 7 water supply projects across the State.

- Millewa water quality improvement scheme
- Cavendish water quality improvement project
- Mallecoota water quality improvement project
- Swifts Creek water security project
- Lexton water improvement scheme
- Springhurst water improvement scheme
- Whitfield water improvement scheme

## **2.2. Fund Objectives**

The key fund objectives are:

1. Service improvement
2. Value for money investment
3. Public and environmental health protection

## **2.3. Eligible Applicants**

The Fund invites Registration of Interest from:

- local government and;
- water corporations

## **2.4. Project Funding**

Grants will be determined on a project by project competitive process. Up to \$1 million will be available for any individual project.

A minimum capital contribution from the applicant/s that matches the grant funding is required.

The Fund will not contribute to:

- cost over runs
- on-going operational costs

- retrospective costs

Applicants will need to demonstrate the viability of the proposal by a Business Case that must accompany the Registration of Interest.

Water conservation and principles of integrated water cycle management should be considered in identifying alternative water sources.

## **2.5. Project Readiness**

If the level of planning is sufficient, the questions in the Registration of Interest template can be answered with a reasonable level of confidence, indicating the project is ready to be considered under this fund.

Projects with a completed functional design and have a good Business Case have a better chance of being funded.

## **2.6. Project Completion Date**

All projects must be completed within three years of receipt of funding.

## **2.7. Eligible Projects**

Eligible projects must meet one or more of the following:

- water supply security improvements
- water supply quality improvements
- new water services
- septic tank upgrades
- small town wastewater solutions
- Funds are to be used for the implementation phase
- All proposals are expected to have a developed Business Case
- Funds will provide 1:1 matching funding up to \$1 million per project
- Funds are open to water corporations and local government in rural areas
- Meets the following fund objectives:
  - results in service improvement
  - provides value for money investment
  - provides public and environmental health protection

## **2.8. Ineligible Project**

Ineligible projects:

- do not demonstrate matching funding as a minimum requirement
- cannot demonstrate that permit and licence requirements have been met or will be met in the future
- request retrospective funding
- require ongoing funding from the State Government once completed
- are inconsistent with Victoria's commitments under the National Competition Policy Agreement

- are inconsistent with Government policies
- are located in the Melbourne metropolitan area
- have no commitment from the community, relevant local government or the relevant water authority
- Sewerage infill projects where small towns are being incorporated, or likely to be incorporated, into regional towns and cities.
- Larger towns – normally those in excess of 1,000 residents

## 2.9. Contractual and Reporting Requirements

Successful applicants will be required to enter into a Funding Deed with DSE (Attachment C provided for information only). The applicant will need to identify whether they are unable to comply or unwilling to accept a condition or clause contained within the Funding Agreement. Applicants should give reasons for non acceptance and set out any proposed amendments that would render the provision acceptable to the applicant.

As part of the funding commitment, the applicant will provide quarterly progress reports and a final project evaluation report.

Reporting guidelines and templates will be distributed by the Project Office.

## 3. SUBMISSION OF REGISTRATIONS OF INTEREST

Registration of Interest templates can be downloaded at [www.ourwater.vic.gov.au](http://www.ourwater.vic.gov.au) or requested via email from [Vivian.c.amenta@dse.vic.gov.au](mailto:Vivian.c.amenta@dse.vic.gov.au) or [max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au). Complete the Registration of Interest Form and sign the applicant's declaration.

Attach all documents requested by the STWQF Project Office to substantiate your project proposal. Additional documents can be attached, provided they are relevant to the criteria.

All Registration of Interest forms and supporting documentation is to be submitted electronically and one signed unbound copy to be mailed to:

**Small Towns Water Quality Fund**  
Department of Sustainability and Environment  
600 Sneydes Road  
WERRIBEE, Vic 3000

the electronic copy to be emailed to:

[vivian.c.amenta@dse.vic.gov.au](mailto:vivian.c.amenta@dse.vic.gov.au), or  
[max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au)

Retain a copy of your Registration of Interest for your own records.

### Privacy Statement

All responses will be treated as public documents. All successful projects will be posted on the DSE website. Formal requests for confidentiality will be honoured, however Freedom of Information and Auditor General access requirements will still apply to submissions treated as confidential. If you wish to access information in your submission once it is lodged with DSE you may make a request by contacting [vivian.c.amenta@dse.vic.gov.au](mailto:vivian.c.amenta@dse.vic.gov.au) or [max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au).

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The closing date for Round 3 Business Cases is **COB, 1 December 2010**. The STWQF Project Office reserves its right to reject any business case lodged after the closing time.

### 3.1. Contacts

Advice regarding the application process may be sought from:

Viv Amenta  
 Phone: (03) 9742 0476  
 Email: [vivian.c.amenta@dse.vic.gov.au](mailto:vivian.c.amenta@dse.vic.gov.au)

Or

Max Coster  
 Phone: (03) 9742 0452  
 Email: [max.coster@dse.vic.gov.au](mailto:max.coster@dse.vic.gov.au)

or Your **regional** Department of Sustainability and Environment Regional Water Manager

REGION	NAME	PHONE	EMAIL
North Central	Robert Steel	(03) 5761 1542	<a href="mailto:robert.steel@dse.vic.gov.au">robert.steel@dse.vic.gov.au</a>
North East	Robert Steel	(03) 5761 1542	<a href="mailto:robert.steel@dse.vic.gov.au">robert.steel@dse.vic.gov.au</a>
North West	John Cooke	(03) 5051 4302	<a href="mailto:john.cooke@dse.vic.gov.au">john.cooke@dse.vic.gov.au</a>
Gippsland	Daniel Mainville	(03) 5172 2188	<a href="mailto:daniel.mainville@dse.vic.gov.au">daniel.mainville@dse.vic.gov.au</a>
Western	Ian Hastings	(03) 5336 6876	<a href="mailto:ian.hastings@dse.vic.gov.au">ian.hastings@dse.vic.gov.au</a>