



Lindenow Valley Water Security Scheme Summary

The Commonwealth Government has invested \$10 million in the Lindenow Valley Water Security Scheme (the Scheme) to assist Lindenow Valley Irrigators construct major on-farm water infrastructure to improve security of supply that enhances their long-term drought resilience.

The Scheme provides up to 50 per cent, to a maximum of \$2 million, to eligible Lindenow Valley Irrigators for costs associated with the planning, design and construction of on-farm water storage, bore construction and the installation of water supply pipelines and pumping infrastructure (directly for water transfer to storage facilities and mains back to the farm distribution point) to increase water security and improve resilience to drought.

Total Commonwealth funding allocated for the Scheme is \$10 million and will be provided through the Victorian Government to Rural Finance. Rural Finance will be responsible for administering the Scheme, overseeing progress and reporting. Irrigators will be responsible for securing planning approvals, design phase, delivery and implementation of approved projects.

In order to apply, applicants must:

- a) submit a farm management plan describing the proposal and benefits;
- b) be a property owner undertaking or proposing to undertake irrigation activities on agriculture land;
- c) have property located in the Lindenow Valley and immediate surrounds;
- d) hold a relevant water licence;
- e) be a Primary Producer; and
- f) have all planning and licence approvals prior to commencing any construction.

Further eligibility criteria are contained in the attached Guidelines. Please read the Guidelines before completing the Application Form.

Completed application forms, together with supporting documentation must be submitted to Rural Finance by **15 June 2020** via:

Post: Rural Finance, PO Box 1313, Bendigo Central 3552

Email: governmentservices@ruralfinance.com.au

If funding remains available after the closure of applications on **15 June 2020**, Rural Finance will continue to accept applications to the earlier of **30 June 2021** or when the Scheme funds are fully allocated and will assess these applications in order of receipt.

For further information please contact Rural Finance on 1800 260 425.

1. About the program

The \$10 million Lindenow Valley Water Security Scheme (the Scheme) will assist Lindenow Valley Irrigators construct major on-farm water infrastructure to improve security of supply that enhances their long-term drought resilience.

The Scheme provides up to 50 per cent, to a maximum of \$2 million, to eligible Lindenow Valley Irrigators for costs associated with the planning, design and construction of on-farm water storage, bore construction and the installation of water supply pipelines and pumping infrastructure (directly for water transfer to storage facilities and mains back to the farm distribution point) to increase water security and improve resilience to drought.

Total Commonwealth funding allocated for the Scheme is \$10 million and will be provided through the Victorian Government to Rural Finance. Rural Finance will be responsible for administering the Scheme, overseeing progress and reporting. Irrigators will be responsible for securing planning approvals, design phase, delivery and implementation of approved projects.

2. Objectives

The purpose of the Scheme is to provide funding to eligible Irrigators for the construction of on-farm water storage facilities to increase water security and improve resilience to drought.

3. Funding available

The Scheme provides up to 50 per cent of the costs associated with eligible activities.

Scheme contributions will be based on invoiced contracted works excluding in-kind contributions and GST paid. Invoices need to be from an independent organisation and are not to include labour or estimated machinery costs of the Primary Producer applying. In relation to GST as an example, if the invoiced costs incurred were \$660,000 (including GST) the maximum funding available under the Scheme would be \$300,000 (i.e. 50% of the GST exclusive amount).

The maximum funding that can be obtained is \$2 million per irrigation farming enterprise (recognising that enterprises may comprise properties under different title and ownership).

The applications for the Scheme will close on the earlier date of when funding is fully allocated or 30 June 2021.

All eligible projects in the Scheme must be completed by 30 June 2023.

4. Eligible activities

Eligible activities relate to the costs associated with the planning, design and construction of:

- on-farm water storage;
- bore construction; and
- water supply pipelines and pumping infrastructure relating to the transfer of water to storage facilities and mains back to farm distribution point.

Water storage infrastructure works must have commenced and completed after the Scheme announcement date on 10 April 2019 to be eligible.

Eligible works and water infrastructure include;

- water storage – dam;
- design and planning permits as required;
- drilling of new bores able to produce a sustainable yield for irrigation purposes and associated power supply;
- water supply pipelines for transfer of water to the storage facility and back to the farm mains distribution point; and
- water pumps for the transfer of water to, and from, the storage facility.

5. Ineligible activities

Ineligible works and water infrastructure include:

- desilting works of existing water storage facilities;
- replacement works;
- small scale water storage (e.g. tanks);
- irrigation delivery infrastructure such as sprinklers, centre pivots etc;
- purchase of water;
- interest payments or fees associated with loans or debt relating to the project;
- ongoing costs associated with irrigation infrastructure and licences; and
- infrastructure installed prior to 10 April 2019.

6. Applicant eligibility

In order to apply, applicants must:

- a) be irrigators within the Lindenow Valley of East Gippsland, Victoria; and
- b) have commenced their farming operation in the Lindenow Valley prior to 10 April 2019.

Water infrastructure projects must be constructed for access to Mitchell River flows or to utilise groundwater under a licence to take and use water under section 51 of the *Water Act 1989* (Vic).

Water infrastructure projects must not have received funding under other government assistance and grant programs including the On-Farm Emergency Water Infrastructure Rebate.

Water storage and related infrastructure works must be commenced and completed after the scheme announcement date of 10 April 2019.

In addition to the above, the applicant must:

- c) submit a farm management plan that describes the proposal and benefits in the context of the farm business;

- d) be a property owner undertaking, or proposing to undertake irrigation on agricultural land;
- e) have a property located in the Lindenow Valley and immediate surrounds;
- f) hold:
 - a licence to take and use water under section 51 of *the Water Act 1989 (Vic)* for the Mitchell River Catchment or provides evidence of a licence to take and use water under section 51 of the *Water Act 1989 (Vic)* prior to constructing any infrastructure; or
 - a licence to take and use water under section 51 of the *Water Act 1989 (Vic)* for extracting ground water from the Wy Yung Groundwater Management Unit in the Lindenow Valley or provides evidence of a licence to take and use water under section 51 of the *Water Act 1989 (Vic)* for ground water prior to constructing any infrastructure;
- g) be a primary producer and registered as such with the Australian Taxation Office; and
- h) have all planning and licence approvals sufficient for the full utilisation of the infrastructure proposed, prior to constructing any infrastructure.

To provide additional clarity in relation to project location, to be eligible under the Scheme the following should be considered:

- For pump, bore and pipeline infrastructure, any area where access to the Mitchell River Catchment or groundwater can be legally achieved within what is commonly referred to as the Wy Yung Groundwater Management Unit in the Lindenow Valley is eligible. The boundary map included on the Rural Finance website www.ruralfinance.com.au can be accessed as a guide.
- Storage infrastructure such as dams can be positioned on eligible applicant land outside the map boundary; however, it is expected the infrastructure will be in close proximity and draw water from the above eligible area.

7. Application process

To apply for the Scheme, applicants must complete the Lindenow Valley Water Security Scheme application form and submit it together with the following.

- Evidence of being an agriculture land owner in Lindenow Valley prior to 10 April 2019, e.g. Rates notice
- Evidence of a water licence to meet guidelines as per section 6 above that has sufficient capacity to meet the proposal
- Provision of ABN
- Provision of taxation or Business Activity Statement confirming GST registration
- Evidence confirming primary producer, e.g. Taxation returns confirming the majority of your income is attributable to primary production
- Farm management plan describing the proposal and benefits to the farm business – it is understood that for some applicants this may be a high level expression of interest and a more detailed plan will subsequently need to be completed and submitted to Rural Finance
- Confirm you will obtain all planning and licence approvals prior to commencing any construction

By signing the application form, you are declaring that the information provided in the application form and supporting documentation is true and accurate.

Providing inaccurate, untrue or misleading information may be a breach of criminal law for which serious penalties may apply.

Complete applications should be submitted to Rural Finance by **15 June 2020** via email or post as detailed below:

Email: governmentservices@ruralfinance.com.au

Postal address: PO Box 1313, Bendigo Central, Victoria 3552

If funding remains available after the closure of applications on **15 June 2020**, Rural Finance will continue to accept applications to the earlier of **30 June 2021** or when the Scheme funds are fully allocated and will assess these applications in order of receipt.

8. Approval process

Following submission of applications Rural Finance will assess eligibility and provide confirmation of either ineligibility or approval in principle to applicants by **31 July 2020**, or within six weeks of an application received after 15 June 2020.

As part of the approval process applications will be assessed against eligibility criteria including regional economic and employment benefits generated by projects.

Approval in principle may include cases where the applicant has not completed full costing and analysis of the proposed works. Funding will not be provided above the approval in principle amount if actual costs are higher than approved, unless a subsequent application is received, costs are deemed eligible activities under these Guidelines, and funds remain available for the Scheme. In addition, funding under the Scheme will be capped at a maximum of 50% of eligible invoices (excluding GST) irrespective of the amount approved in principle. All funding is subject to a maximum amount of \$2 million per farming enterprise.

Where an expression of interest has been submitted by the farming enterprise without a detailed plan (that is approved in principal by Rural Finance), the farming enterprise will need to submit a detailed plan that complies with requirements by **15 December 2020 or within four months of receiving an in principal approval from Rural Finance.**

Rural Finance will assess such detailed plans and provide confirmation if the plan is eligible or ineligible by **31 January 2021** or within six weeks of the detail plan being received.

9. Oversubscription

In the event of eligible applications exceeding the funding available under the Scheme an oversubscription will exist.

In the case of oversubscription, a minimum approval amount before any pro-rata reductions, will be determined based on the number of eligible applicants. Subject to meeting the maximum of 50% of eligible activities, this minimum eligible amount will be \$500,000 if 10 eligible applications are received, \$400,000 if 15 eligible applications are received and \$300,000 if 20 eligible applications are received. Rural Finance will determine variations to the above minimum eligible amount depending on the number of eligible applications. For the avoidance of doubt if there are 10 eligible applications and one individual application is only

eligible for \$400,000, noting the Scheme provides up to 50 per cent of the costs associated with eligible activities, that applicant will only be eligible for \$400,000 and not the above stated \$500,000 minimum.

In the event of oversubscription any eligible amounts above the minimum determined by Rural Finance will be allocated pro-rata based on the total eligible amount for all eligible applicants over the total available Scheme funding. For example, if after allocating the determined minimum to each applicant there is \$6 million in funding remaining; however applicants are eligible for an additional \$10 million in funding, each applicant who is eligible for in excess of the minimum amount will receive the minimum amount plus 60% of any eligible amount over the minimum amount.

In the case of oversubscription, applicants will be notified of their minimum approval amount and the applicant must accept responsibility for remaining costs before the application proceeds to approval.

10. Project implementation and audit

Applicants will be accountable for obtaining all planning permits and approvals including obtaining relevant construction licence (e.g. works licence), securing necessary water entitlement and licences as required, appointing consultants and contractors and implementing the entire phase of project delivery.

Rural Finance will undertake an audit to confirm the actual costs incurred and confirm compliance with the Scheme guidelines.

11. Payment process

The funding will be paid via electronic funds transfer into the bank account nominated in the application form. Payments will be made in instalments or in one total amount as agreed with each eligible applicant.

No payments will be made until the following information is provided:

- a) Evidence of all planning and licence approvals sufficient for the full utilisation of the proposed infrastructure, received prior to constructing any infrastructure
- b) Copies of relevant taxation invoices to confirm costs incurred and that works were undertaken after 10 April 2019.
- c) Confirmation of payment of relevant taxation invoices (receipt or bank statement confirming payment)
- d) Evidence of completed work (e.g. photos)
- e) All work must be completed and claims submitted for payment before 30 June 2023

Rural Finance must also be satisfied the above activities and associated payments meet the Scheme requirements.

12. Further information

Rural Finance

Telephone: 1800 260 425

Email: governmentservices@ruralfinance.com.au

Web: www.ruralfinance.com.au

Postal address: PO Box 1313, Bendigo Central, Victoria 3552

13. Evaluation of the Scheme

The Victorian or Commonwealth Government may conduct an evaluation to determine the extent to which the program has met its objectives. Scheme applicants may be requested to provide information to assist in auditing during the program or the evaluation after the program's completion.

14. Confidentiality

Any personal information provided by the Applicant or a third party in an application will be collected by Rural Finance and the Commonwealth or Victoria Government for the purpose of administration of the Scheme. This information may be provided to other Government bodies for the purpose of assessing Scheme applications.

Data gathered through assessments may be compiled, aggregated and made anonymous by Rural Finance for reporting, evaluation and research purposes.

Any personal information collected, held, managed, used, disclosed or transferred will be held in accordance with the provisions of the Privacy and Data Protection Act 2014 (Vic) and other applicable laws.

Rural Finance is committed to protecting the privacy of personal information.

15. Disclaimer

This publication may be of assistance to you but Rural Finance, the Commonwealth and Victorian Government and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Rural Finance, the Commonwealth and Victorian Government reserve the right in their absolute discretion to amend the guidelines without notice.