



RURAL FINANCE

DISASTER RECOVERY FUNDING ARRANGEMENTS 9-11 JUNE 2021 VICTORIAN FLOODS AND STORMS

Clean-Up and Restoration Grants

Guidelines

1. About the program

This assistance is being provided under the jointly funded Commonwealth-State Disaster Recovery Funding Arrangements (DRFA) to assist primary producers directly affected by the Victorian Floods and Storms which occurred from 9-11 June 2021 (AGRN 969) with costs associated with clean-up and recovery activities needed to reinstate their primary production enterprises.

2. Available funding and supporting evidence

2.1 The maximum grant amount available under this program is \$25,000.

2.2 Funding is provided as reimbursement for expenses incurred based on valid tax invoices and receipts.

2.3 Should an initial application be for less than the maximum grant amount, further applications may be submitted prior to the close of the program if additional expenditure is required to complete clean-up and restoration activities.

2.4 Evidence in support of claims for grants must include:

- a) Supporting documents including photographs or other evidence of the direct flood and storm impacts, and
- b) Tax invoices and/or receipts for expenses already incurred; and
- c) evidence that demonstrates the applicant meets relevant eligibility criteria, and
- d) any other information Rural Finance deem necessary to assess the application.

2.5 Applicants may seek 'In-Principle Approval' before they commit to expenditure by lodging the application with quotes for eligible clean up and recovery activities. Tax invoices or receipts must be submitted before any payment is released. Evidence of expenditure for reimbursement must be submitted within 6 months of receiving In-Principle Approval.

2.6 GST is excluded from any grant payment.

3. How funding may be used

3.1 Grants are provided to help pay for the costs of clean up and recovery activities associated with the reinstatement of primary production enterprises. Eligible claims may cover:

- a) Hiring or leasing of equipment and/or materials to undertake clean-up,
- b) Additional labour costs required for clean-up and restoration activities (above and beyond normal wage expenditure, i.e. day-to-day staffing) including additional labour costs for existing staff that would not ordinarily have been incurred in the absence of the eligible disaster,
- c) Removing or disposing of debris or damaged goods and materials, including trees deemed unsafe and horticulture or irrigation infrastructure,

- d) Repairing or replacing fencing and/or essential property infrastructure if the repair or replacement is essential for resuming operation of the primary production enterprise, for example horticultural netting, greenhouses, bridges, farm laneways, irrigation infrastructure. (Funding is not available for repairs to a building that is used as a dwelling, unless it is used for carrying on the primary production enterprise, for example staff accommodation),
- e) Reconditioning/repairing or replacing essential plant and equipment,
- f) Repairing, and/or restoring farmland and pasture e.g., due to erosion, land slips, silting or severe inundation caused by the eligible disaster,
- g) Purchase and transport of fodder or feed for livestock, including poultry, and/or stock agistment costs that were essential to supplement lost pasture and fodder in the two months following the eligible disaster,
- h) Purchase or hire/lease costs for equipment essential to the immediate resumption of the business,
- i) Payment for technical and specialist advice to support remediation of landslips, erosion or pasture or for safety inspections of damage to property or equipment.
- j) Payment for technical and specialist advice to support the assessment, clean-up or removal of fallen trees or dangerous debris.

Compensation for lost income is not an eligible item for grant assistance. This grant is intended for restoration activities only.

4. Eligibility criteria

4.1 To be eligible for the grant, the applicant must:

- a) be a primary producer (as defined in section 7 below) deriving at least 50 per cent of their total gross income from the primary production enterprise; and
- b) hold an Australian Business Number (ABN) and have held that ABN at the time of the disaster; and
- c) have a primary production enterprise (as defined in section 7 below) located in the defined disaster area (as defined in section 7 below) that has suffered direct damage as a result of the eligible disaster; and
- d) have been engaged in carrying on the primary production enterprise when affected by the eligible disaster; and
- e) have lodged an application by 31st May 2022; and
- f) intend to re-establish the primary production enterprise.

4.2 An applicant may also be eligible for a grant if both of the following apply:

- a) the applicant's primary production enterprise is located outside the defined disaster area for the eligible disaster but is carried on at least sometimes on a regular basis in the area; and
- b) plant or equipment of the primary production enterprise situated in the defined disaster area, or farmland or infrastructure for which you are financially responsible, has been damaged as a result of the eligible disaster.

4.3 An applicant may also be eligible for a grant if the applicant derives at least 50 per cent of their total gross income from primary production and value-added products (e.g. wine) made directly from raw produce grown by the applicant.

4.4 Where an applicant's income from primary production is less than 50 per cent of their total income, the applicant may nonetheless be eligible for a grant if it can be demonstrated that;

- a) in the ordinary course of business the applicant would meet that requirement, but:
 - i. their primary production income is currently reduced due to drought or seasonal conditions; and/or

- ii. due to long lead times to full production, (e.g. an orchard or vineyard is in early stages of development), the applicant expects to earn such an amount of income within a three year period, taking into account the nature of the industry.

4.5 Applicants will not be eligible for a grant, or part of a grant, if:

- a) the applicant does not meet the criteria at 4.1, 4.2 or 4.3; or
- b) the applicant has received, or has been approved to receive, financial assistance for costs associated with the items set out under 3.1 from another government assistance scheme, however the applicant may be eligible for a grant for costs that are not covered by the other scheme; or
- c) the applicant is entitled to receive a payment under an insurance policy for costs directly associated with an item set out at 3.1, however the applicant may be eligible for a grant for costs that are not covered by their insurance, or for amounts in excess of the value insured; or
- d) another party to the primary production enterprise, (for example a party holding a separate ABN number), has already applied for a grant under this program.

5. Eligible separate businesses

5.1 Applicants who operate their primary production enterprise under a single ABN on separate properties in different locations may apply for assistance up to the maximum amount available for the eligible disaster for each eligible business.

5.2 Consideration of eligible separate primary production enterprises may cover:

- a) the staffing arrangements of the separate primary production enterprises;
- b) whether the primary production enterprises have their own plant, equipment or stock;
- c) the accounting arrangements of the separate primary production enterprises;
- d) whether the separate primary production enterprises operate under their own trading names;
- e) the commercial scale, viability and autonomy of each primary production enterprises.

6. Terms and Conditions

6.1 Successful applicants will be required to:

- a) provide any additional information required by Rural Finance to assess an application, including assessment of losses arising from the disaster event; and
- b) agree to subsequent audits under the scheme including permission for on-farm access to confirm that the grant provided has been expended on approved purposes.

6.2 All appropriate statutory approvals and licences must be obtained for the eligible activities, where applicable. This is the responsibility of the applicant.

7. Definitions

Defined disaster area for the 9-11 June 2021 flood or storm affected areas within the local government areas of Ballarat, Bass Coast, Baw Baw, Bayside, Bendigo, Boroondara, Campaspe, Cardinia, Casey, Central Goldfields, Corangamite, Dandenong, East Gippsland, Frankston, Glen Eira, Hepburn, Hume, Kingston, Knox, Latrobe, Loddon, Macedon Ranges, Manningham, Mansfield, Maroondah, Mitchell, Monash, Moorabool, Mornington Peninsula, Mount Alexander, Murrindindi, Nillumbik, Port Phillip, Queenscliffe Borough, South Gippsland, Stonnington, Wangaratta, Wellington, Whitehorse, Whittlesea and Yarra Ranges.

Direct damage means a direct and material impact of flood or storm related activities on business assets or equipment, including livestock.

Eligible separate business: An eligible separate business means a commercial entity that would be a commercially viable and autonomous business if other businesses operated by the primary production enterprise ceased to operate.

Official invoice means

- a) an invoice including the name, address and ABN of the entity that issued the invoice and a description of each item to which the invoice relates which is clearly identifiable as being related to approved expenditure for the applicant.

Official receipt means

- a) a receipt including the name and address and ABN (if applicable) of the entity that issued the receipt and
- b) a description of each item to which the receipt relates.

Primary producer means:

- a) a sole trader who spends part of their labour on, and derives the majority of their income from a primary production enterprise in agriculture (including aquaculture, horticulture and viticulture), fisheries, hunting or trapping, private forestry or apiary; or
- b) in relation to a partnership, private company or trust that carries on a primary production enterprise, the partners in the partnership, shareholders in the company or beneficiaries of the trust who spend part of their labour on, and derive the majority of their income from, the primary production enterprise.

(Note: assistance will be considered for primary producers as described under the Australian New Zealand Standard Industrial Classification 2006 (ANZSIC) 1292.0 (Revision 2.0) Codes 01 (Agriculture), 02 (Aquaculture), 03 (Forestry and Logging), 04 (Fishing, Hunting and Trapping) and 05 (Agriculture, Forestry and Fishing Support Services).)

Primary production enterprise means:

- a) is established under the legal structure of a sole trader, partnership, trust or private company; and
- b) is carried on by a primary producer and trades in a primary production industry, including the agricultural (including aquaculture, horticulture, nurseries and viticulture), fisheries, hunting or trapping, private forestry or apiary industries; and
- c) undertakes all primary production aspects of the business wholly in Australia; and
- d) is registered for tax purposes in Australia with an Australian Business Number (ABN); and
- e) is not under external administration or bankruptcy; and
- f) is not a public company under the meaning of the Corporations Act 2001 (Cth).

Reinstatement means:

- a) the carrying out of activities that are necessary to help the primary production enterprise continue or resume production at a similar level as before the eligible disaster.

8. Other matters

8.1 The Australian Government has made the grant assistance received under this scheme non-assessable, non-exempt income. Applicants do not pay tax on non-assessable, non-exempt income and do not include the amount when they work out their tax loss. Grant assistance received under this scheme is also not subject to GST.

8.2 Grants under this program may result in financial, taxation, legal or other impacts. Applicants are advised to seek independent financial advice in regard to these impacts. Applicants may also seek advice from the Australian Tax Office on 1800 806 218 if they have further questions about their individual situation.

9. Assessment

9.1 Applications will be assessed against the eligibility criteria.

9.2 Rural Finance reserves the right to request further information from you or from any business or individual you have engaged, to assist in assessing your application and to verify any information provided in your application. Failure to provide such information may result in Rural Finance refusing your application.

9.3 Rural Finance reserves the right to refuse an application where eligibility criteria are not met, or where the applicant does not or cannot provide sufficient information for the Rural finance to determine if eligibility criteria have been met.

9.4 Applications submitted may be subject to audit by Rural Finance or its agents in order to determine compliance with scheme guidelines.

9.5 Complete applications will be assessed in order of receipt. Incomplete applications will not enter the assessment queue until all required information is provided.

9.6 Before applying for financial assistance under this program, applicants should seek advice from their legal, business or financial advisers about the tax implications of this financial assistance.

9.7 Applicants will be expected to provide a range of supporting documentation, including the latest local council rate notice; latest available Tax Return and Financial Statement for your farm business.

10. Fraudulent claims

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

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

10.3 If any information provided in an application or supporting documentation is found to be inaccurate, untrue or misleading, legal action may be taken against you, including action to recover the funds.

11. Privacy Statement

In order to assess your application, Bendigo and Adelaide Bank Ltd (using the brand name of Rural Finance) is collecting personal information from you to assess your eligibility, to administer the reimbursement, and to contact you about your application and to review and evaluate the program. If personal information about a third party is included in your application, you are required to ensure that the third party is aware of the contents of this Privacy Statement. In the assessment of your application, it may be necessary to share your personal information with government agencies (State and Federal). If you have previously provided personal information to Rural Finance, we may use this personal information to substantiate the personal information you have provided in this program. Any personal information collected, held, managed, used, disclosed or transferred will be held in accordance with the Privacy and Data Protection Act 2014 (Vic) and other applicable laws. Rural Finance is committed to protecting the privacy of personal information. Enquiries about access to personal information, or for other concerns regarding the privacy of personal information, can be emailed to the Rural Finance at governmentservices@ruralfinance.com.au. The Rural Finance's privacy policy is also available by emailing the governmentservices@ruralfinance.com.au.

12. 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.

13. Further information

To apply for the 9-11 June Victorian Flood and Storm Grant an application form will need to be completed and lodged. The application form can be obtained from the Rural Finance website www.ruralfinance.com.au

Applications will be assessed in order of receipt against the eligibility criteria and must be submitted by 31st May 2022.

The completed application form and any attachments are to be forwarded to:

Rural Finance
PO Box 1313
Bendigo Central 3552 or governmentservices@ruralfinance.com.au

If you require further information please contact Rural Finance on 1800 260 425 or via email at governmentservices@ruralfinance.com.au