

**Submission
No 7**

**PERFORMANCE OF THE REGIONAL INVESTMENT ACTIVATION FUND AND
THE REGIONAL JOB CREATION FUND**

Organisation: InQuik
Date Received: 26 October 2023

The Regional Job Creation Fund is an excellent program to support regional businesses, and thus regional economies, to grow their capabilities through capital investments which lead to increasing local job opportunities.

Our business was awarded funds to assist with the construction of a new purpose-built manufacturing facility in the Hunter region. The people we have worked with from the Department of Regional NSW have been very helpful and supportive. However, along the journey we have encountered some frustration due to a mismatch between expectations and reality. For future similar programs, I suggest some minor improvements to the process:

- The original milestone deadlines set by the Dept were very ambitious to meet. Perhaps they were set based on experiences funding capital works programs for councils, which typically have everything lined up and ready to go before they apply for funding. For businesses, particularly for large capital investment that relies on government funding, they will generally not proceed until the funds are secured. That means DA/CC approvals, engaging consultants, purchasing land/equipment, signing contracts, etc. will often need to be done after grant of funds, and thus follow a much slower timeline to completion. Perhaps more nuance should be allowed in setting these milestone dates, depending on the type of capital investment to be undertaken.

- The definition of Completion of Works, and thus final payment of the grant, was also unclear. After months of trying to get approval of final completion, we were told that there was a set of guidelines to qualify for this Completion, depending on the type of capital works undertaken, and we didn't yet qualify. But we never received a copy of this set of guidelines, so we had made incorrect assumptions which impacted our business's cashflow planning. I strongly recommend that future programs share very clear requirements to qualify for Completion of Works for different types of capital works projects, to manage expectations for everybody.

These issues aside, the rest of the process was great. Having a direct contact with a representative from Regional NSW was incredibly helpful, and the fact that this program existed (particularly during COVID) helped our business to achieve its dream of having our own factory to manufacture our products for Australia and the Pacific. I enthusiastically encourage the government to continue with these initiatives, which actually do make a genuine difference to regional businesses.