

Ref: A5900045  
10 November 2023

Mr David Blunt AM  
Clerk of the Parliaments  
Legislative Council  
Parliament House  
Macquarie Street  
Sydney NSW 2000

**CORRESPONDENCE RECEIVED:**

Date: 10/11/23

Time: 3.30m

Signed:

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Re: Budget Estimates hearing – Special Minister of State – Request for document

Dear Mr Blunt,

I refer to the Special Minister of State's appearance at the Budget Estimates hearing on 9 November 2023 and the committee's request for documents approved by the Minister in relation to the Local Small Commitments Allocation Program (LSCA) and compliance with section 6.1.5 of the NSW Government Grants Administration Guide.

I note that on 6 and 7 November 2023 certain documents relating to the LSCA were provided by The Cabinet Office and the Premier's Department in response to paragraph (a) of the Legislative Council's order for papers concerning local and community grants decisions made on 11 October 2023.

I am now delivering to you the enclosed brief to the Special Minister of State, which concerns the compliance of the LSCA with section 6.1.5 of the NSW Government Grants Administration Guide, with Cabinet information redacted.

Should you require any clarification or further assistance, please contact the Legal Branch of The Cabinet Office.

Sincerely,

**Kate Boyd PSM**  
Deputy Secretary, General Counsel



## Local Small Commitments Allocation Program – compliance with the NSW Grants Administration Guide and delegations. Briefing for the Special Minister of State

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### Issue

Local Small Commitments Allocation Grant Program (LSCA) compliance with sections 5.5 and 6.1.5 of the NSW Grant Administration Guide (the **Guide**), and approval of appropriate delegations to enable the execution of LSCA funding agreements and payment of grants to successful organisations.

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### Purpose

[REDACTED]

The Minister is asked to approve the LSCA as a one-off or ad hoc grant program with a non-competitive nomination process and merit assessment of each nominated project. The Minister is also asked to note the advice given in this brief as to why that method is to be used and the strategies included in the LSCA Program Guideline (the **Guideline**) to address the risks arising from a non-competitive grant process.

In addition, the Minister is asked to note advice provided in this brief demonstrating how the program achieves value for money.

The brief also seeks Ministerial approval of the Instrument of Subdelegation at **Attachment C** to facilitate the execution of funding agreements and payment of grants to approved organisations for successful LSCA projects.

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### Approval of the LSCA assessment process

The LSCA has been designed as a one-off or ad hoc grant program, with a non-competitive nomination process and a merit assessment of each nominated project. Having regard to the Guide, LSCA grants are:

- “non-competitive” as proposals are assessed individually, without reference to the comparative merits of other applications; and
- considered as “one-off or ad hoc” grants. These are a type of grant determined on an ad hoc or targeted basis, by Ministerial decision. These grants are generally not available to a range of grantees or on an ongoing basis.

Section 6.1.5 of the Guide requires that “*where a method other than a competitive merit-based selection process is to be used (including one-off or ad hoc grants), officials **must** document why that method will be used and outline the risk mitigation strategies. This **must** be approved by the responsible Minister*”.



The NSW Government announced the LSCA prior to the March 2023 election (election commitment ID 25). Some candidates nominated organisations and specific projects in their electorate to receive grants up to a total value of \$400,000 per electorate. Where projects were not identified, the funds available in the relevant electorate will be made available to local councils for upgrades to playgrounds and parks, in accordance with the methodology outlined in the Guideline.

The list of election commitments (nominated community organisations and their projects) has been provided to the LSCA Program Office by the Premier's Office. Only organisations and projects included in this list are eligible to be assessed for LSCA funding.

To mitigate the risks associated with the non-competitive nature of the program the LSCA Program Office has developed a number of mechanisms to ensure the probity of the process, which are reflected in the Guideline at **Attachment A**. The Guideline was approved by the Minister on 24 July 2023 (A5810179) and among other things, outlines the processes for the nomination (section 2), eligibility requirements (section 3), and merit assessment (section 6) for all projects in the LSCA.

In developing the Guideline, the LSCA Program Office has undertaken a risk analysis of the nominated projects and applied the principle of proportionality to the design of the merit assessment process.

Relevantly, the Guideline includes the following requirements:

### 1. Allocation of funds to every NSW Electorate

- Each of the 93 electorates across NSW will receive \$400,000
- In electorates where funds have not been allocated to identified organisations, funds will be allocated to local councils on a per-capita basis for upgrades to playgrounds and parks.

### 2. Eligibility Assessment

- The nominated organisation must be an eligible organisation, and
- The project/organisation must have been nominated as an election commitment prior to the March 2023 election, and
- The project must be delivered in the relevant electorate, and
- The nominated project budget must not include ineligible costs.

### 3. Merit Assessment

The Assessment Panel will have two independent assessors who will assess each project against each of the following three merit criteria:

- a) The project will enhance wellbeing and deliver benefits to the local community.

The assessors will have regard to:

- the community need the project is seeking to address
- who the target beneficiaries are
- whether the benefits identified are logical and achievable.

- b) The project is an efficient, effective, economical, and ethical use of money and will deliver value for money.

The assessors will have regard to:

- whether the benefits to be delivered are reasonable when compared with the costs
- whether the LSCA grant is a co-contribution to a larger project
- whether the project's deliverables are fit for their intended purpose
- the estimated utility period for the deliverables



- whether the deliverables are capable of realising the benefits identified.
- c) The project can be delivered by the organisation as described.

The assessors will have regard to:

- the internal management, governance arrangements and financial viability of the organisation that is delivering the project
- the experience of the organisation that is delivering the project in delivering this type of project
- the internal capacity (resources and personnel) of the organisation that is delivering the project
- the likelihood of essential project commencement requirements being met, such as land use approval or availability of total project funds
- whether the project can be completed within two years of the execution of a funding agreement.

#### 4. Recommendations

- Projects will only be recommended to the Minister for approval if they are assessed as having merit.

#### 5. Funding Agreement and reporting

- All grantees must sign a funding agreement (using one of the Guide templates)
- All grantees must formally acquit and report on their project at the completion
- Any projects that run for more than 6 months must provide regular progress reports.

## Achieving value for money

Section 5.5 of the Guide requires that “officials **must demonstrate at the planning and design stage how [a grant] will deliver value for money by identifying the lifetime benefits and costs**”. The Guide further states that “*the approach taken to assess value for money should be proportionate to the value and risk of the grant*”.

Each individual grant will be to the maximum value of \$400,000, although the funding sought for many of the nominated projects is a smaller amount, including some projects for which funding of \$10,000 or less is sought. This funding is available in 2023-2024 only. In this way, the costs of each grant are relatively confined.

It is anticipated that the funded projects will provide a broad range of community benefits – including social, cultural, environmental, and economic benefits – that, in many cases, will be ongoing. As outlined in the Guideline, the LSCA will help fund small local projects for the purpose of enhancing community wellbeing and providing benefits to communities in NSW. The assessment criteria include a criterion that “the project will enhance wellbeing and deliver benefits to the local community”. Each nominated project will be merit-assessed against that criterion, making the delivery of community benefits fundamental to the approval of each proposed grant.

The LSCA is being funded from the Community Services Facility Fund (CSFF) established under the *NSW Generations Fund Act 2018* (NSW). The purpose of the CSFF (section 12(1)) is:

*“... to provide funding for cost-effective facilities and services throughout New South Wales that improve the wellbeing of communities and the lives of the people of New South Wales, including facilities and services for the purposes of:*

- a) *Protecting public health and preventing disease, illness, injury, disability or premature death, and*




- b) *Promoting conditions in which persons can be healthy and safe, and*
- c) *Promoting involvement with community or culture, and*
- d) *Increasing participation in programs, services or activities that aim to improve the overall wellbeing of the community, and*
- e) *Any other purpose prescribed by the regulations”.*

The assessment process outlined in the Guideline (**Attachment A**) at section 6 incorporates these requirements and the value for money considerations. Assessment criteria 2 assesses value for money at a project level. The considerations outlined for the assessors are proportionate to the size and risk profile of LSCA grants.

Assessment reports provided to the Minister as part of the approval process (section 7 of the Guideline) will outline the assessment of value for money and recommendations made to the Minister for approval for funding will specifically reference value for money.

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## Delegation to facilitate the execution of funding agreements and payment of grants

 Paragraph 5 of the Instrument of Delegation enables the Minister to subdelegate functions subject to the requirements in paragraph 6.

The LSCA is being administered by a Program Office established within the Premier's Department. The Minister is requested to subdelegate functions related to the execution of funding agreements and payment of approved grants to the Deputy Secretary of the Community Engagement Group, and the Executive Director of the LSCA Program Office. These subdelegations will support the effective and efficient management of LSCA grants approved by the Minister.

An instrument of subdelegation (**Attachment C**) has been prepared by the Legal Branch of the Cabinet Office.

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## Background

The LSCA was established by the NSW Government following the 2023 election and will provide grants to the value of **\$400,000** in each of the 93 NSW electorates. The funds will be used to deliver small local projects announced as election commitments prior to the March 2023 election. LSCA grants will enhance community wellbeing and provide benefits to communities in NSW.

The total cost of the LSCA is **\$37.2 million** and will be funded from the CSFF.

The LSCA is being administered by the LSCA Program Office in the Premier's Department, and in accordance with the requirements of the Guide, and relevant sections of the *Government Sector Finance Act 2018* (NSW) and the *NSW Generations Fund Act 2018* (NSW).

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## Consultation

The Cabinet Office - Legal Branch



## Recommendations

- **Note** that LSCA grants are one off or ad hoc grants, for which a non-competitive selection process is proposed.
- **Note** the advice provided in this brief as to why a non-competitive method is proposed to be used and the risk mitigation strategies to be employed.
- **Approve** the use of a non-competitive selection process as outlined in the Guideline for the LSCA Grant Program at **Attachment A**.
- **Note** the advice provided in this brief as to how the LSCA will deliver value for money and meet the requirements of the CSFF.
- **Approve** and **sign** the Instrument of Subdelegation at **Attachment C** to facilitate the execution of funding agreements and payment of grants to approved organisations for successful LSCA projects.

## Attachments

**Attachment A** – Local Small Commitments Allocation Guideline

**Attachment B** – Instrument of Delegation from the Treasurer to the Special Minister of State

**Attachment C** – Instrument of Subdelegation from the Special Minister of State to the Deputy Secretary, Community Engagement Group and Executive Director, LSCA Program Office.

## Approvals

<b>Premier's Department final approver</b>
Approval status: Approved
Group Name: Deputy Secretary, Community Engagement Group

<b>Special Minister of State's Office final action due date</b>
19 September 2023

Special Minister of State's comments	Date	Approved/Not Approved/Noted
	28/9/23	



Responsible Department Officer

Alison Morgan, Executive Director, WestInvest Program Office, 0434 782 643



**Instrument of Subdelegation under s 9.9(5) of the Government Sector Finance Act 2018**  
**NSW Generations (Community Services and Facilities) Fund**

1. Pursuant to section 9.9(5) of the *Government Sector Finance Act 2018* (NSW) (**GSF Act**), I, **the Hon. John Graham MLC, Special Minister of State** subdelegate in relation to the Local Small Commitments Allocation program the functions specified in the table in Schedule 1, being functions which have been delegated to me, to the persons for the time being in or acting in a role within the Premier's Department in the column marked "Subdelegate" in the table in Schedule 1, up to and including the amount specified in the column marked "Limit per project, program or initiative" in that table.
2. A subdelegation of functions under this instrument:
  - a. does not authorise any further subdelegation;
  - b. remains in full force and effect until withdrawn, modified or varied by me or my successors as Special Minister of State.
3. If a role or role title is changed, or a new role or role title is created in conjunction with the deletion of an existing role or role title, the subdelegations applicable to the former role or role title are extended to the retitled or new role, if the functions and responsibilities of the retitled or new role and former role are substantially the same.
4. The subdelegations in Schedule 1 are subject to the following conditions:
  - a. Expenditure is limited to expenditure in respect of the Subdelegate's area(s) of administrative responsibility.
  - b. A Subdelegate may only exercise the delegated function:
    - i. in relation to a project, program or initiative that the Delegate (the Special Minister of State) has determined in writing as one that he or she is satisfied promotes the purpose of the Community Services and Facilities Fund; and
    - ii. up to the total funding limit specified by the Delegate (the Special Minister of State) for that project, program or initiative in such written determination.
5. Terms used in this instrument have the same meaning as they carry in the GSF Act, unless otherwise indicated.

**The Hon. John Graham MLC**  
**Special Minister of State**

Date: 28/9/23  
Click on map to enter a date.



Schedule 1 – Subdelegations

Item	Function	Subdelegate	Limit per project, program or initiative	Section
1.	<p>Making payments from the Community Services and Facilities Fund for the cost of a project, program or initiative that promotes the purpose of that fund.</p> <p><i>Note: this function may only be exercised by the Delegate or a Subdelegate in respect of a project (etc.) that the Delegate is satisfied promotes the purpose of the fund. See covering instrument for other conditions.</i></p>	<p>Deputy Secretary, Community Engagement</p> <p>Executive Director, Local Small Commitments Allocation Program Office</p>	<p>Up to and including \$400,000</p> <p>Up to and including \$200,000</p>	<p>NSW Generation Funds Act 2018 (NGF Act), s 14(1)(a)</p>
2.	<p>Imposing conditions on the recipient of the payment (including by entry into a funding deed or variation of any funding deed).</p>	<p>Deputy Secretary, Community Engagement</p> <p>Executive Director, Local Small Commitments Allocation Program Office</p>	<p>Up to and including \$400,000</p> <p>Up to and including \$200,000</p>	<p>NGF Act, s 14(2), (3)</p>



Premier's Department

# Local Small Commitments Allocation

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## Program Guideline

31 July 2023

A5818905



OFFICIAL



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## Acknowledgement of Country

The NSW Premier's Department acknowledges the Traditional Custodians of the lands where we work and live. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW.



# Overview of the Local Small Commitments Allocation Program

The Local Small Commitments Allocation (LSCA) Program was established by the NSW Government following the 2023 election.

The LSCA will provide grants up to the value of **\$400,000** in 2023-24 in each of the 93 NSW electorates. These grants will help fund small local projects for the purpose of enhancing community wellbeing and providing benefits to communities in NSW.

The total cost of the LSCA is **\$37.2 million** and it will be funded from the NSW Generations Fund – Community Services and Facilities Fund (CSFF).

All grants made through the LSCA program are one-off or ad hoc grants. Identified local councils and community organisations will be invited to submit proposals to deliver small local projects. These include upgrades to community centres, playgrounds and parks, and the delivery of welfare services, educational programs and community events.

The NSW Special Minister of State is the final decision maker about which projects are to be funded. The LSCA Program will be administered by the LSCA Program Office within the NSW Premier's Department.

All LSCA grants will be administered in accordance with the [NSW Grants Administration Guide \(Guide\)](#), the grants administration requirements in Section 10.3A of the *Government Sector Finance Act 2018* (NSW), and the requirements of the CSFF and the *NSW Generations Funds Act 2018* (NSW).

## 1 Purpose of the Guideline

This Guideline outlines the processes for the administration of the LSCA. It provides a guide for those organisations submitting project information for consideration about the program's purpose and objectives, eligibility criteria, assessment and approval processes, and timeframes.

### 1.1 Key dates

Program Stage	Date
Online Information sessions	7, 8 and 10 August 2023
Submission of project details – nominated projects	From 31 July 2023
Submission of project details – playground and park upgrades	From 4 September 2023
Assessment process	From 7 August 2023
Successful application advised	From mid-August 2023
Funding agreements executed	From mid-August 2023
Project Delivery	Up to 2 years from signing of agreement



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## 2 Projects nominated for LSCA funding

Projects to be assessed for funding through the LSCA Program must have been nominated as election commitments prior to the March 2023 election.

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### 2.1 Nominated community projects

In some electorates community projects totalling \$400,000 for the electorate have been *nominated* and, if approved, will be delivered by community organisations and local councils.

The projects cover a broad range of *capital works, services and programs, events, supplies and equipment and charitable donations projects*.

In some electorates a number of community projects have been specified, with the remaining portion of the allocated \$400,000 nominated for *playground and park upgrade projects* to be delivered by local councils (see Section 2.2)

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### 2.2 Projects to upgrade playgrounds and parks

In those electorates where some, or all of the \$400,000, was nominated for *playground and park upgrades projects* to be delivered by local councils, the NSW Special Minister of State will determine the funding to be made available to each local council in the electorate having regard to the following advice from the LSCA Program Office:

- The amount of funds nominated for playground and park upgrade projects in each electorate
- The number of Local Government Areas (LGAs) within those electorates
- The proportion of the electorate's population living within those LGAs (2021 ABS data)
- The LGA location for existing nominated projects located within those LGAs.

The LSCA Program Office will contact the local councils identified by the Special Minister of State, inviting them to *specify playground and park upgrades projects* for assessment in accordance with Section 6 of this Guideline.

In the event that a local council is unable to specify a playground or park upgrade project in the identified electorate, those funds will be redistributed by the Special Minister of State across other LGAs within the same electorate having regard to the factors above.

The Special Minister of State is the final approver of the distribution of LSCA funds for specified playground and park upgrade projects in LGAs within electorates with projects yet to be specified.



## 3 Eligibility

The following eligibility criteria must be met before an organisation is considered for LSCA funding:

### 3.1 Eligible Organisations

Eligible organisation
<p><b>You must be either:</b></p> <ul style="list-style-type: none"> <li>✓ A nominated organisation invited to submit a project identified as an election commitment prior to the 25 March 2023 election.</li> <li>✓ A Not-for-profit organisation, agency or group including but not limited to: <ul style="list-style-type: none"> <li>• Incorporated organisation registered as a not-for-profit association</li> <li>• Community organisation registered as an incorporated not-for-profit association</li> <li>• Unincorporated organisation</li> <li>• Trusts that are registered with the Australian Charities and Not-for-profits Commission (ACNC)</li> <li>• Local Aboriginal Land Councils</li> <li>• An Aboriginal and/or Torres Strait Islander Corporation registered under the <i>Corporations (Aboriginal and/or Torres Strait Islander) Act 2006</i> (Cth)</li> </ul> </li> <li>✓ A government related organisation including: <ul style="list-style-type: none"> <li>• NSW Government Agency</li> <li>• Local Council</li> <li>• Joint Organisation of Councils, or council grouping or association</li> </ul> </li> </ul>
Ineligible organisation
<ul style="list-style-type: none"> <li>✗ Proprietary companies and companies limited by shares</li> <li>✗ Individuals or groups of individuals</li> <li>✗ For-profit organisations</li> <li>✗ Incorporated organisations that are insolvent</li> </ul>

The Department, at its sole discretion, may take any other factors into account to determine that an organisation is ineligible for funding. These factors include, but are not limited to, personal or business issues that could cause reputation damage or other risk to the NSW Government, and poor past performance of the nominated organisation or their key project personnel.

### 3.2 Eligible Projects

All Projects must:

- Have been nominated as an election commitment prior to the March 2023 election
- Have commenced after 26 March 2023
- Be delivered in the NSW electorate from which funding was allocated:
  - While a project may be delivered across multiple locations, those locations must all be within the identified electoral boundary



- Have, or be able to obtain, appropriate Public Liability Insurance
- Be able to be delivered within 2 years of the execution of a Funding agreement.

### Projects may be:

- Partially or fully funded by LSCA Program funds:
  - Where projects are partially funded by the LSCA, details of all funding (including other NSW Government grants) and project deliverables must be fully disclosed in the *Project Details Form*.

### Projects must not include:

- Funding to recover costs for existing debt and/or budget deficits
- Administrative, operational and maintenance costs not related to the subject project
- Costs already fully funded by insurance or other NSW or Commonwealth Government Programs.



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## 4 Submission of a Project Details Form

All nominated community organisations and local councils must complete a *Project Details Form*. The process for completing and submitting this form is outlined below.

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### 4.1 Access to the SmartyGrants system

The representative of a nominated organisation will receive an email from the LSCA Program Office providing access to SmartyGrants (the NSW Premier's Department online grants administration portal), and inviting them to complete the *Project Details Form*.

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### 4.2 The Project Details Form

Before you start entering information into the *Project Details Form*, you are advised to read this Program Guideline. In particular, make sure you understand the requirements for organisational and project eligibility.

You should read through the sections of the *Project Details Form* and commence filling it out, ensuring you:

- fill in each section
- save your form regularly
- upload all the required supporting documentation (see Section 5).

**NOTE:** Please ensure you click the 'SUBMIT' button to upload your completed form.

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### 4.3 Where to get further help

If you need additional support to complete the *Project Details Form* you can:

- register to attend an online information session run by the LSCA Program Office:
  - [Information Session #1: 7 August 2023, 12:00 – 1:00pm](#)
  - [Information Session #2: 8 August 2023, 9:00 – 10:00am](#)
  - [Information Session #3: 10 August 2023, 5:30 – 6:30pm](#)
- contact the LSCA Program Office directly by:
  - Email at [lsca@premiersdepartment.nsw.gov.au](mailto:lsca@premiersdepartment.nsw.gov.au)
  - Telephone on (02) 9228 5260.

#### Important notes

- Your *Project Details Form* must be accurate and fully completed before pressing Submit
- Submission of your *Project Details Form* does not guarantee funding. Your project will be assessed in line with the processes outlined in Section 6 below
- Any cost associated with completing the *Project Details Form* will be met by the nominated organisation
- The declaration section of your *Project Details Form* must be authorised:
  - by a member of the executive or committee as deemed under your organisation's constitution or governance arrangement, or
  - by the General Manager/CEO or a delegated officer of the local council.



## 5 Supporting documentation

As you complete the *Project Details Form* for your project you will be prompted to provide supporting documentation to verify some of the details of your project.

The types of evidence you may need to include in your submission will largely depend on the type of project, and whether the proposed LSCA grant would cover the entire cost of the project or be a co-contribution towards a larger project.

The list below covers the main types of evidence you may require.

Where you have requested LSCA funding as a co-contribution towards a larger project being delivered by another organisation, you will need to provide supporting documentation about both the larger project and the organisation delivering the project.

If you have any questions about the type of evidence your project requires, please contact the LSCA Program Office at [lscapremiers@premierdepartment.nsw.gov.au](mailto:lscapremiers@premierdepartment.nsw.gov.au).

### Your organisation and the organisation delivering the project

You will be asked to provide relevant documents including:

- evidence of organisational governance, structure or constitution
- recent financial information including evidence that your organisation is not insolvent, or subject to ongoing legal proceedings, and
- evidence that your organisation has appropriate insurance including the public liability insurance arrangements (where required) for the project.

### Capital works projects

Where funding is sought for improvements to land or building, or freestanding equipment that will be fixed or installed to the land or building, you will be asked for evidence of:

- Property/landowner's consent for your works to be undertaken at the project location
- All planning approvals, including development consent, from local councils, Crown Lands and Heritage Councils, DA approval or evidence of lodgement (if required).

### Services and program delivery projects

Where funding would support the new or ongoing delivery of educational, health and other welfare services and programs, you will be asked for evidence of:

- The current program or services, and details of how the LSCA funding would be used to enhance or support ongoing delivery
- The design of a new program or service, and details of how the LSCA funding would support the delivery.

### Events projects

Where funding would support the delivery of a time-limited activity, you will be asked for:

- Where the event has already occurred, evidence confirming the event, and a breakdown of the total costs incurred and source of available funds to meet those costs, and specifically identifying how the LSCA funds have been utilised.
- Where the event is yet to occur evidence of the planning for that event and a breakdown of the costs to be incurred and available funding sources to meet those costs, including the specific use of the LSCA funding.

## Supplies and equipment

Where funding would be expended on supplies and equipment for the ongoing delivery of a program or a service you will be asked for:

- Receipts for those supplies or equipment already purchased relying on LSCA funds
- List of supplies and equipment to be purchased with LSCA funds, with receipts provided later in the acquittal process.

## Charitable donations

Where funding would support a charitable donation, you will be asked for:

- Evidence of the organisation's charitable organisation status including the Australian Charities and Not-for profits Commission (ACNC) registration number
- Evidence of the organisation's charitable donation agenda for the current financial year (may also specify where LSCA funds will be directed).

## Combination projects (projects that include more than one of the above)

Where funding would support a project that combines elements of the categories listed above, you will be asked provide evidence as appropriate for the project key deliverables.



## 6 Assessment of your project

All nominated projects will be assessed through a two-step process as outlined below. Each project will be assessed on its own merits without reference to the comparative merits of any other LSCA project submission.

Project assessments will occur on a rolling basis as submissions are uploaded to SmartyGrants.

### 6.1 The Assessment Process

#### Step 1: Eligibility assessment

The LSCA Program Office will assess all projects to ensure the organisation and the project meet the eligibility requirements outlined in this Guideline. Ineligible projects will not progress to Step 2.

#### Step 2: Merit assessment

All eligible projects will be assessed by two independent expert assessors (the Assessment Panel). The Assessors will be appointed by the LSCA Program Office and will have relevant experience in the assessment of community-based grant applications.

The LSCA Program Office will contact your representative directly if your *Project Details Form* has missing information or any of the information requires clarification.

Where LSCA funding is going to one organisation to be used as a co-contribution towards a larger project being delivered by another organisation, the Assessment Panel will need to have sufficient information to assess the larger project and the organisation delivering the project.

### 6.2 Merit Assessment Criteria

Each member of the Assessment Panel will independently undertake a merit assessment of each eligible submission that has progressed to Step 2. They will award a score of either a **(1) low**, **(2) satisfactory** or **(3) high** against each of the following three merit criteria:

**1. The project will enhance wellbeing and deliver benefits to the local community:**

The assessor will have regard to:

- the community need the project is seeking to address
- who the target beneficiaries are
- whether the benefits identified are logical and achievable.

**2. The project is an efficient, effective, economical, and ethical use of money and will deliver value for money:**

The assessor will have regard to:

- whether the benefits to be delivered are reasonable when compared with the costs
- whether the LSCA grant is a co-contribution to a larger project
- whether the project's deliverables are fit for their intended purpose
- the estimated utility period for the deliverables
- whether the deliverables are capable of realising the benefits identified.

**3. The project can be delivered by the organisation as described:**

The assessor will have regard to:

- the internal management, governance arrangements and financial viability of the organisation that is delivering the project
- the experience of the organisation that is delivering the project in delivering this type of project
- the internal capacity (resources and personnel) of the organisation that is delivering the project
- the likelihood of essential project commencement requirements being met, such as land use approval or availability of total project funds
- Whether the project can be completed within 2 years of the execution of a funding agreement.

To determine the final assessment score, the LSCA Program Office will combine the individual scores provided by each member of the Assessment Panel.

**The project will be deemed as having merit if it scores a combined minimum score of four in each of the three merit criteria.**

Where a project has scored less than four in any of the merit criteria, the LSCA Program Office will convene a moderation session of the Assessment Panel to review the scoring and reach a consensus on a final overall score. The moderation session will be chaired by a member of the LSCA Program Office and will involve a Probity Advisor.

The Assessment Panel may also identify special conditions that would support the successful delivery of the project. These could include things like special reporting requirements, arrangements for co-funding, or changes to the proposed governance arrangements. Any special funding conditions will be approved by the Special Minister of State and included in the funding agreement.



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## 7 The Approval Process

The NSW Special Minister of State is the final decision maker about which projects are to be funded. The Executive Director of the LSCA Program Office will consider the Assessment Panel reports and provide written advice making recommendations to the NSW Special Minister of State about the projects seeking funding including any special funding conditions. The advice provided to the Minister will comply with the requirements of Section 6.3.1 of the **Guide**.

Any departure from the recommendations of the Executive Director of the LSCA Program Office will be documented as part of the approval process.

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### 7.1 Input from stakeholders

The Special Minister of State may choose to seek advice from a Probity Advisor about any issues that arise throughout the administration of the LSCA Program.

Where advice is received from any other Ministers, Members of Parliament or other stakeholders in making a decision about the approval of LSCA projects, this will be documented.

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### 7.2 If a project is successful

Successful organisations will be notified in writing by the LSCA Program Office in accordance with the timeframes outlined in Section 1.1 above.

Successful organisations will be required to enter into a funding agreement that will outline the organisation's responsibilities in terms of reporting and acquittal of funds. The funding agreement will be either a NSW Government funding agreement (Short Form) or (Long form) depending on the value, complexity and risk profile of your project.

The template for these funding agreements can be found at <https://www.nsw.gov.au/grants-and-funding/grants-administration-guide>.

Any special conditions approved by the Special Minister of State will be included in the funding agreement.

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### 7.3 If a project is unsuccessful

The LSCA Program Office will notify unsuccessful organisations in writing and will outline the reasons why the submission was not successful.

The LSCA Program Office will provide any unsuccessful organisations with an opportunity for an individual feedback session to discuss the details of their submission.

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### 7.4 Appeals

The Special Minister of State's decision, based on advice from the LSCA Program's Executive Director, on all projects is final. There is no mechanism for a review or appeal.

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## 8 Probity and Governance

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### 8.1 Governance

As outlined in the Overview section the LSCA will be funded from the CSFF.

The LSCA will be managed in accordance with the requirements of the **Guide**, the grants administration requirements in section 10.3A of the *Government Sector Finance Act 2018* (NSW) and the and the requirements of the CSFF and the *NSW Generations Funds Act 2018* (NSW) (<https://www.nsw.gov.au/grants-and-funding/grants-administration-guide>).

The LSCA Program Office within the NSW Premier's Department will co-ordinate the expert external assessment of submissions and develop recommendations to the Special Minister of State for approval and funding.

The LSCA will be managed through the NSW Premier's Department grant administration portal (SmartyGrants) and all documentation and record keeping will meet the requirements of the *NSW State Records Act 1998* (NSW).

Organisations with projects approved for funding will be required to enter into a funding agreement with the NSW Premier's Department and report regularly on the progress of their project, in accordance with the terms and conditions of their funding agreement.

#### Probity

The NSW Premier's Department will appoint independent Probity Advisors who will develop a Probity Plan for the LSCA Program.

All issues related to conflicts of interest will be managed with advice from the Probity Advisors.

From time to time, it may be necessary for the LSCA Program Office to seek specific probity advice (internal or external) for grant opportunities that are complex, high-risk or of high value.

#### Reporting

All approved LSCA funding will be published on the NSW Government Grants and Funding Finder website no later than 45 calendar days after the funding agreement takes effect.

Expenditure of money from the LSCA program will also be referenced in the NSW Premier's Department annual report for 2023-2024.

#### Acknowledgement of the NSW Government

All recipients of NSW Government funding should acknowledge the NSW Government in accordance with the NSW Government Funding Acknowledgement Guidelines (<https://www.nsw.gov.au/branding/sponsorship-and-funding-acknowledgment-guidelines/funding-acknowledgement-guidelines>).

At a minimum, the NSW Government acknowledgement should be in annual reports, media releases, digital and printed materials, web pages and online documents, advertising, and any plaques and signs for the period in which funding is received.

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### 8.2 Terms and Conditions of Funding

The NSW Premier's Department will manage the administration of the LSCA Program and ensure all funding is appropriately managed and acquitted in accordance with Section 6.6.2 of the **Guide** such that:



- Before any funds are issued, recipients must sign a funding agreement agreeing to the funding terms and conditions.
- Recipients must use the funds for the stated purpose for which the funding was awarded unless written permission has been obtained from the NSW Premier's Department.
- Recipients must provide evidence of expending the funds for the agreed purpose (acquittal) within the agreed timeframe in their funding agreement.
- Recipients must return any unspent funds in accordance with the terms and conditions of the funding agreement entered into by grant recipients.

## 8.3 Complaints

Any concerns about the LSCA Program should be submitted in writing via <https://www.nsw.gov.au/departments-and-agencies/the-cabinet-office/contact-us>.

The NSW Premier's Department is committed to responding to external complaints fairly, efficiently and effectively. Concerns and complaints procedures follow the processes set out in the NSW Premier's Department External Complaints Handling Policy (<https://www.nsw.gov.au/departments-and-agencies/department-of-customer-service/publications-and-reports/complaint-handling-policy>). This policy sets out the steps for managing an external complaint regarding the LSCA Program. If you are a person with a disability or experience difficulties in providing your complaint in writing, you can make a verbal complaint by contacting (02) 9228 5555. NSW Premier's Department may require a verbal complaint be made in writing in circumstances where the matter is complex or contentious. If you do not agree with the way the Department handled the issue, you may wish to contact the NSW Ombudsman via: [www.ombo.nsw.gov.au](http://www.ombo.nsw.gov.au).

## 8.4 Privacy statement

NSW departments and agencies are required to comply with the *Privacy and Personal Information Protection Act 1998 (NSW)* (the Privacy Act) and any personal information (as defined by the Privacy Act) collected by NSW Premier's Department in relation to the LSCA Program will be handled in accordance with the Privacy Act and NSW Premier's Departments privacy policy and privacy management plan (<https://www.nsw.gov.au/departments-and-agencies/premiers-department/contact-us/privacy>).

Information provided by nominated organisations to NSW Premier's Department in connection with this submission will be collected and stored on a database held and managed by the NSW Premier's Department in accordance with the Privacy Act and the *State Records Act 1998 (NSW)* and will only be used for the purposes for which it was collected (including, assessing the funding submission or a directly related purpose (for example, program evaluation).

NSW Premier's Department may also disclose information provided by applicants to other Government agencies and external subject matter experts or advisers for the purpose of the agencies, external subject matter experts or advisers assessing the submission in connection with the LSCA Program or as otherwise permitted by the Privacy Act. Nominated organisations must take steps to ensure that any person whose personal information (as defined by the Privacy Act) is included in their submission has authorised collection of their personal information and is made aware of the purposes for which it has been collected and may be used (which include assessing a funding submission), and the fact that the personal information will be collected by NSW Premier's Department and may be disclosed to other Government agencies for this purpose.

### Access to Information

Applicants should be aware that information submitted in submissions and all related correspondence, attachments and other documents may be made publicly available under the *Government Information (Public Access) Act 2009 (NSW)* (GIPA Act).



- The GIPA Act gives the public an enforceable right to access submissions for government information
- Restricts access to information only when there is an overriding public interest against disclosure.

Before information is released in response to a submission under the GIPA Act, there will be an assessment of the public interest considerations in favour of and against disclosure of that information and there may be consultation requirements that apply.

Information may also be made publicly available as a result of an order for papers made by the NSW Legislative Council under Standing Order 52.

Applicants should be aware that information included in their submission may be shared with persons from other government agencies, third party subject matter experts and other professional advisers to facilitate the assessment process.

If a submission is successful, information about the project and the applicant may be shared in media releases, NSW Government websites and social media accounts. This information may include the name of the applicant and their business, a description of the funded project, the project's expected community benefits, and the funding amount.

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## **NSW Generations (Community Services and Facilities) Fund**

### **Instrument of Delegation under s. 9.9, *Government Sector Finance Act 2018***

#### *Local Small Commitments Allocation Program* *Multicultural Communities Commitments Program*

I, Daniel Mookhey, Treasurer of the State of New South Wales, pursuant to section 9.9 of the *Government Sector Finance Act 2018* ("*GSF Act*"), delegate:

1. in relation to the Local Small Commitments Allocation program, the functions specified in the "Function" column of Annexure A to the person who from time to time occupies the role specified in the "Delegate" column of Annexure A; and
2. in relation to the Multicultural Communities Commitments program, the functions specified in the "Function" column of Annexure B to the person who from time to time occupies the role specified in the "Delegate" column of Annexure B.

A delegation of functions under this instrument:

3. replaces (subject to paragraph 4) any delegation of the same functions made by myself or my predecessors in office;
4. does not replace:
  - a. the Instrument of Delegation under the *GSF Act* dated 18 August 2022 (which, for the avoidance of doubt, remains in full force and effect) and any related sub-delegations;
  - b. the Instrument of Delegation under the *NSW Generation Funds Act 2018* ("*NGF Act*") made by me on this date in relation to the Community Services and Facilities Fund.

#### **Subdelegation**

##### *Local Small Commitments Allocation Program*

5. A Delegate specified in Annexure A (the Special Minister of State) may subdelegate any delegated function to a person employed in the Premier's Department, provided that the subdelegation is subject to a condition to the effect of paragraph 6 below.
6. A Subdelegate may only exercise the delegated function:
  - a. in relation to a project, program or initiative that the Delegate (the Special Minister of State) has determined in writing as one that he or she is satisfied promotes the purpose of the Community Services and Facilities Fund; and
  - b. up to the total funding limit specified by the Delegate (the Special Minister of State) for that project, program or initiative in such written determination.



*Multicultural Communities Commitments Program*

7. A Delegate specified in Annexure B (the Minister for Multiculturalism) may subdelegate any delegated function to a person employed in the Multicultural NSW Staff Agency, so long as the subdelegation is subject to a condition to the effect of paragraph 8 below.
8. A Subdelegate may only exercise the delegated function:
  - a. in relation to a project that the Delegate (the Minister for Multiculturalism) has determined in writing as one that he or she is satisfied promotes the purpose of the Community Services and Facilities Fund; and
  - b. up to the total funding limit specified by the Delegate (the Minister for Multiculturalism) for that project, program or initiative in such written determination.

**General conditions**

7. A delegation of functions under this instrument is subject to the condition that expenditure is limited to expenditure in respect of the Delegate's area/s of administrative responsibility.

**Interpretation**

8. Terms used in this instrument have the same meaning as in the *NGF Act* unless otherwise indicated.

Signed



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Daniel Mookhey, Treasurer of the State of New South Wales

Dated this 2nd day of August 2023

Annexure A – Local Small Commitments Allocations Program

Item	Function	Delegate	Section reference (for Function)
1.	<p>Making payments from the Community Services and Facilities Fund for the cost of a project, program or initiative that promotes the purpose of that fund.</p> <p><i>Note: this function may only be exercised by the Delegate or a Subdelegate in respect of a project (etc.) that the Delegate is satisfied promotes the purpose of the fund. See covering instrument for other conditions.</i></p>	Special Minister of State	NGF Act, s. 14 (1)(a)
2.	<p>Imposing conditions on the recipient of the payment (including by entry into a funding deed or variation of any funding deed).</p>		NGF Act, s. 14(2), (3)



Annexure B – Multicultural Communities Commitments Program

Item	Function	Delegate	Section reference (for Function)
1.	<p>Making payments from the Community Services and Facilities Fund for the cost of a project, program or initiative that promotes the purpose of that fund.</p> <p><i>Note: this function may only be exercised by the Delegate or a Subdelegate in respect of a project (etc.) that the Delegate is satisfied promotes the purpose of the fund. See covering instrument for other conditions.</i></p>	Minister for Multiculturalism	NGF Act, s. 14 (1)(a)
2.	<p>Imposing conditions on the recipient of the payment (including by entry into a funding deed or variation of any funding deed).</p>		NGF Act, s. 14(2), (3)

Attachment C - CSFF payment approval - Local Small Commitments Allocations Program

Project ID	Project Name	Funding recipient	Expenditure type	Previously approved limit (\$)	Adjustment (\$)	New Westinvest/CSFF funding (\$)
WI /IC1	Premier's Department (formerly Department of Premier and Cabinet) - program management costs	Premier's Department	Recurrent	18,407,375	-750000	17,657,375
WI /IC3	Premier's Department - LSQA administration costs	Premier's Department	Recurrent	-	750000	750,000