



Storm and Flood Industry Recovery Program

Supply Chain Support Grant Co-contribution Examples

This document contains a series of examples to illustrate how co-contribution can be claimed under the Storm and Flood Industry Recovery Program (SFIRP) Stream 1 Supply Chain Support Grant (SCSG).

If you need assistance with your application, please contact the Rural Assistance Authority (RAA) on 1800 678 593 or email rural.assist@raa.nsw.gov.au. If you need assistance with interpreting or translating, please contact Multicultural NSW on 1300 651 500 or email languageservices@multicultural.nsw.gov.au.

For full grant details please refer to the SFIRP Stream 1 SCSG Industry Guidelines available at <https://www.raa.nsw.gov.au/disaster-assistance/supply-chain-support-grants>.

Co-contribution requirements

The objective of SFIRP Stream 1 SCSG is to provide funding to help primary producers impacted by storms and floods in February and March 2021 to rebuild and recover in the medium to longer-term with the aim of supporting job security, future resilience and enabling future production.

Clause 3.8 of the Stream 1 SCSG Industry Guidelines requires eligible applicants to demonstrate that they meet the 50:50 co-contribution requirement through financial and/or in-kind contributions.

A co-contribution is an amount of either financial and/or in-kind contribution that an applicant can use to match the value of the claim (50:50 co-contribution).

A financial co-contribution is an amount of money that an applicant can use towards their project. You can demonstrate this by providing evidence such as bank statements showing available funds.

An in-kind co-contribution is a contribution of a good or a service other than money, such as:

- activities already undertaken to repair storm and flood damage, evidenced by invoices that you have already paid and not claimed under other government programs/insurance, and/or
- a commitment of in-kind labour and/or resources for activities to be undertaken to repair storm and flood damage

Refer to the Industry Guidelines for full details on co-contribution requirements at <https://www.raa.nsw.gov.au/disaster-assistance/supply-chain-support-grants>.

Key requirements include:

- where in-kind labour estimates are used, they must be for reasonable staff labour costs to be capped at \$50/hr. Labour costs should be detailed to describe the work and hours undertaken. Please note that existing staff labour costs cannot be used to verify the initial grant and timesheet(s) will be required as evidence.
- where livestock, crop or seed stock are used, they must be for reasonable costs to be capped at typical industry rates for standard stock. These costs should be detailed to describe the work undertaken and stock loss.
- where repair, replacement and/or future resilience works are used, they must be for direct damage works at reasonable costs. These costs should be detailed to describe the work undertaken.
- Works undertaken and costs already incurred by businesses for their recovery and re-establishment (and not already claimed or paid under another State or Australian government program or insurance prior to receiving SCSG funding) may be applied retrospectively as eligible *co-contribution* only.



Example 1 – financial co-contribution

Bob Green is a turf farmer in the Hawkesbury area. On 20 February 2021, his crops sustained damage due to deposited silt and debris from the flood waters. Bob received and expended \$75,000 under the Special Disaster Grant to clean-up the silt and debris. He also lost an irrigation system including two pumps in the flood waters. The irrigation system was uninsured, and he has not received government funding to rebuild it.

Bob wants to use his own money to pay a contractor for the materials and labour to re-build the irrigation system. The job is quoted at \$150,000 including replacement and installation of two new pumps. Bob has \$75,000 (50% of the total cost) in available cash. The SCSG turf farmer grant value is \$75,000.

Based on the re-build quote, Bob applies for \$75,000, and proposes to match this with a financial co-contribution of \$75,000. He provides the re-build quote and bank statements to demonstrate his co-contribution. He also provides photographic evidence of the lost irrigation system and pumps as well as the direct damage from flood waters.

RAA reviews his application and the evidence provided. The application is approved as Bob meets all the other eligibility criteria. The first milestone payment is paid into his bank account upon approval of the application. A month later Bob provides invoices to demonstrate the purchase and delivery of the materials to the combined value of the initial milestone payment and a portion of his own cash. RAA review the invoices and approve the next milestone payment to commence the installation. This process is repeated until the total approved grant amount has been reached.

Summary: Bob was able to use his own cash as financial co-contribution to receive grant funding of the equivalent value to replace the irrigation system and pumps. He submitted relevant evidence of expended funds and received and expended the grant through milestone payments. Bob knows to keep records of proof of payment should he be audited by the RAA on behalf of the NSW and Australian governments.

Example 2 – in-kind co-contribution

The Browns' oyster farm was impacted by the floods of March 2021. They lost juvenile and mature stock, their sheds were damaged along with equipment including trays, baskets and a boat. The Browns received and expended \$75,000 under the Special Disaster Grant to replace the damaged sheds and lost equipment. They have not yet purchased replacement spat or a replacement boat as they do not currently have the available cash. They were not insured for stock loss or damage to the boat and have not received government funding for these items. The total damage cost was \$135,000 and after receiving the SDG, the remaining damage cost for the lost spat and boat is estimated at \$60,000. The SCSG aquaculture producer grant value is \$30,000.

The Browns submit an SCSG application for \$30,000 of which \$20,000 is for the purchase of new spat at an industry standard rate and \$10,000 is for the purchase of a replacement boat. They intend to use their own labour as an in-kind contribution to the value of \$30,000 in order to meet the 50:50 co-contribution requirement.

Their \$30,000 in-kind co-contribution includes their own labour to rebuild the sheds that were damaged as well as a commitment of their own labour to re-establish the spat for a like-for-like replacement of what was lost. All labour costs are below the maximum \$50 per hour.

With their application they provide evidence of the lost stock and the damaged boat, quotes for the spat and boat purchases and timesheets for the labour they have already completed for the rebuilding of the



shed. They also provide a self-declaration for the commitment of their own labour to re-establish the spat once the spat is purchased with the SCSG grant.

RAA reviews their application and the evidence provided. The application is approved as the Browns meet all the other eligibility criteria, the activities are directly linked to the storms and floods damage and are not business-as-usual. The first milestone payment is paid into their bank account upon approval of the application. Two months later the Browns provide invoices to demonstrate the purchase and delivery of the spat, timesheets to demonstrate their own labour in the hatchery and an invoice for the purchased boat. RAA review the invoices and approve the next milestone payment. This process is repeated until the total approved grant amount has been reached.

Summary: The Browns were able to use in-kind co-contribution to receive grant funding of the equivalent value to replace the lost stock and boat. Their in-kind own labour was for labour undertaken prior to receiving the SCSG as well as a commitment of own labour once receiving the SCSG. All their own labour was for direct recovery work as a result of the storms and floods and was not for business-as-usual activities. They submitted relevant evidence of expended funds and received and expended the grant through milestone payments. The Browns know to keep records of proof of payment should they be audited by the RAA on behalf of the NSW and Australian governments.

Example 3 – both financial and in-kind co-contribution

Mr and Mrs Jones are cattle farmers. On 15 March 2021, their property sustained damage to fences along the riverbank. The Jones' have received and expended \$75,000 under the Special Disaster Grant to fix the fence damage. They also sustained cattle loss from the flooding as well as vet costs to treat the cattle injured during the flooding which wasn't covered under the SDG and were uninsured.

The Jones' want to use the vet bills that they have already paid for the flood injured cattle as in-kind co-contribution and their own money as financial co-contribution in order to receive SCSG funding to purchase replacement cattle. The remaining damage estimate cost for the vet bills and replacement cattle is \$150,000. The SCSG extensive livestock (cattle) grant value is \$75,000.

The Jones' submit an application for \$75,000 to pay for cattle replacement. The Jones' co-contribution to match the grant funding includes \$60,000 cash that will be used for cattle purchases and \$15,000 of previously paid vet bills from May 2021 as in-kind contribution.

They provide the invoices for the vet bills and bank statements to demonstrate their co-contribution. They also provide special evidence to demonstrate stock loss including NLIS/paddock tags, their LLS Land and Stock Return as well as photographic evidence of direct damage from the storms and floods.

RAA reviews their application and the evidence provided. The application is approved as they meet all the other eligibility criteria and the activities including the vet bills are directly linked to the storms. The first milestone payment is paid into their bank account upon approval of the application. A month later the Jones' provide invoices to demonstrate the purchase of some but not all cattle at the typical industry rate, to the combined value of the initial milestone payment and a portion of their own cash. RAA review the invoices and approve the next milestone payment. This process is repeated until the total approved grant amount has been reached.

Summary: The Jones' were able to use a combination of their own finances (financial) and previously paid vet bills as (in-kind) co-contributions to receive grant funding of the equivalent value to purchase replacement cattle. They submitted relevant evidence of expended funds and received and expended the grant through milestone payments. The Jones' know they need to keep records of proof of payment should they be audited by the RAA on behalf of the NSW and Australian governments.