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Introduction

The Stormwater Management Authority (SMA) is established as a statutory corporation pursuant to Schedule 1A of the *Local Government Act 1999*. The SMA acts as a state-wide planning and prioritisation body for stormwater management, and implements the *Agreement on stormwater management between the State of South Australia and the Local Government Association of South Australia* (the Stormwater Management Agreement).

The Stormwater Management Agreement promotes the management of stormwater in a way that delivers multiple benefits including flood protection, public amenity, healthy waterways and healthy coastal environments.

The Stormwater Management Fund (SMF) has been established through the Stormwater Management Agreement to assist, primarily, local government in meeting the costs of stormwater management planning and stormwater infrastructure.

Using this Guide

Scope and Purpose of this Guide

This guide has been prepared to assist entities determine whether projects or activities are eligible for funding support through the SMF, and to assist those entities in applying for funding support.

Terminology

Throughout this guide, unless a contrary intention is evident:

- **Applicant** means the incorporated body (or group of incorporated bodies) that is applying for funding from the SMF
- **Application** means an application to the SMA for funding from the SMF
- **Approved stormwater management plan** means a stormwater management plan (SMP) that has been approved by the SMA and for which notice has been published in the South Australian Government Gazette
- **Stormwater Management Authority (SMA)** means the board of the Stormwater Management Authority, its staff, or agents acting on its behalf.

The Stormwater Management Fund

Who can apply for funding?

Applications are open to any legally incorporated body. Priority is given to applications from local government authorities, groups of local government authorities, and regional subsidiaries established under the *Local Government Act 1999*.

What funding can be applied for?

Applicants can apply for funding in three categories shown in Table 1 below. Category-specific eligibility requirements are outlined elsewhere in this guide.

Table 1: Eligible funding categories and activities.

Category A: SMPs and other studies relating to stormwater management	Category B: Stormwater management knowledge, capability and capacity building	Category C: Capital works relating to stormwater management
<ul style="list-style-type: none">• Preparation or revision of SMPs• Water quality, hydrologic, hydraulic and floodplain mapping studies that lead to preparation of a SMP• Other studies where the preparation of a SMP is not appropriate.	<ul style="list-style-type: none">• Community education and awareness programmes• Monitoring, research or trials• Community tools and resources• Technical tools and resources.	<ul style="list-style-type: none">• Detailed design of civil works• Construction of civil works• Land acquisition.

How much funding can be applied for?

There is no upper or lower limit to the amount of funding that can be applied for. The SMA will consider applications for funding of *up to* 50% of the total cost of eligible projects, with the remainder to be provided by the applicant or third parties. The applicant's funding contribution must *at least match* the SMA's funding contribution. The SMA does not consider 'in-kind' contributions as matching funding.

The SMA has the sole discretion to vary these requirements if the applicant demonstrates exceptional circumstances.

When to apply for funding?

Applications for funding in Category A or Category B can be submitted at any time.

Applications for funding in Category C can be submitted following a call for applications published on www.sma.sa.gov.au. A call for Category C applications will generally be made in May and November each year.

How to apply for funding?

Applications must be submitted using the application form available at www.sma.sa.gov.au. The application form should be sent to the SMA electronically (preferred) in Microsoft Word (doc; docx) or Adobe Acrobat (pdf) formats, or posted in hard copy to the SMA.

The flow chart in the Appendix to this guide illustrates the application process.

For assistance with the application process, contact the SMA (see *Further Information* at the end of this guide.)

What happens after I apply?

All applications submitted to the SMA undergo an assessment process. Completing the application form as accurately and concisely as possible assists the SMA to complete this assessment in a timely fashion. Incomplete and/or inaccurate information will lead to delays in assessing applications.

During the assessment process, the SMA may seek further information or clarification from the applicant.

In considering an application, the SMA can:

- Decline the application
- Defer consideration of the application
- Approve the application, with or without conditions.

The SMA will formally notify all applicants of its decision in respect of their application. If the application is deferred or declined, the SMA will advise the applicant of the reason(s) for its decision to defer or decline the application. If the application is successful, the SMA will make a written offer of funding to the applicant outlining any conditions of the offer.

Successful applicants will be expected to enter into a grant agreement with the SMA within ninety days of an offer of funding being made.

It is expected that projects are ready to proceed in accordance with the timeframe provided by the applicant. During a project, timeframes can be varied or adjusted within reason, however the SMA reserves the right to revoke an offer of funding where a project repeatedly and consistently does not proceed in accordance with the approved timeframe and/or the applicant fails to provide quarterly progress reports.

How are applications assessed?

Applications are assessed on merit and are considered in the context of other plans and priorities. Assessment of applications takes into consideration the following:

- Whether the proposed project is judged to be technically and financially feasible
- The anticipated social, environmental and economic impacts (costs/benefits) of the project
- The distribution of costs and benefits across different areas and groups of people, especially where a project has the potential to benefit a broad cross section of the local government sector or the community
- Whether there is any co-investment by third-parties, and the potential for the project to seek and obtain co-investment through other sources of funding
- The level of subsidy sought and the capacity of the SMF to fund the project at the given point in time
- For SMPs, the relative priority of the catchment as identified in the *Priorities for Stormwater Management Planning in South Australia 2016–2020*, as amended from time to time, and available at www.sma.sa.gov.au.
- For Category C projects, whether the project is identified in an approved SMP; the priority of the project against other projects in the approved SMP; and, the priority of the project against projects in other approved SMPs.

When are funds paid?

Funds are provided to the applicant in accordance with an agreed schedule of payments negotiated with the applicant and linked to project outputs and deliverables.

Impact of government legislation and policies

Applicants and intending applicants should note that the SMA is bound by South Australian Government legislation and policies governing the expenditure of public funds on works and initiatives and the disclosure of expenditure including, but not limited to:

- The *Parliamentary Committees Act 1991* (to the extent that it establishes the functions and requirements for the Public Works Committee)
- *Premier and Cabinet Circular 15: Procedures for submissions to Cabinet seeking the review of public works by the public works committee*
- *Treasurer's Instruction 17: Evaluation of and approvals to proceed with public sector initiatives.*

These instruments impose obligations for various approvals to be obtained, and the SMA is not able to make any payment(s) to applicants until such approvals are obtained.

The SMA is also required to disclose grant funding amounts in its Annual Report and other publically available documents.

Category A Applications: Stormwater Management Plans and Other Studies

Applications will be considered for the preparation or revision of SMPs, and for other studies that will culminate in the preparation of a SMP. Applicants should note that SMPs should be prepared in accordance with the *Stormwater Management Planning Guidelines* (which may be obtained from www.sma.sa.gov.au), and other relevant guidelines issued by the SMA and in effect at the time an application is approved.

Neither approval of an application to prepare a SMP or undertake a study, nor approval of the SMP or study itself, represent a commitment by the SMA to fund any or all of the works and measures identified in the SMP or study.

Applicants intending to prepare or revise an SMP are encouraged to consult with their relevant regional landscape board(s).

Floodplain Mapping

Floodplain modelling and mapping is normally an essential precursor to preparation of a SMP. Although this activity is often undertaken in concert with preparation of a SMP, stand-alone applications for floodplain modelling and mapping will be considered by the SMA on merit, especially where there is a demonstrated intention and commitment to advance to completion of a SMP subsequent to completion of floodplain mapping.

Before undertaking floodplain mapping, applicants should familiarise themselves with the requirements of the *SMA Flood Modelling Guidelines* (available from www.sma.sa.gov.au). It is expected that any floodplain modelling and mapping produced either as a precursor to or in the course of producing a SMP will be made freely available for use by state government under a Creative Commons Attribution (CC-BY) license.

Other Studies

It is recognised that in certain circumstances the preparation of an SMP is not an efficient way to investigate a particular problem (e.g. a flooding problem at the downstream end of a very large rural catchment). Similarly there may be a need to investigate a proposal contained in an SMP in more detail, or to conduct research and investigations into other stormwater management issues. In these situations, applications for funding support will be considered on their merit.

Category B Applications: Knowledge, Capability and Capacity Building

Applications will be considered for activities that build stormwater management knowledge, capability and capacity within the entity, local government sector, or broader community. Such activities include:

- Education and awareness programs
- Monitoring, research or trials
- Community tools and resources that influence behaviour with respect to stormwater management or that increase resilience to flood hazard
- Technical tools and resources that contribute to improved stormwater management or stormwater management planning.

The costs of external service providers are eligible for funding support. Staff time and materials may be eligible for funding support, to the extent that these are not a part of the normal day-to-day operating costs of the applicant (e.g. employment of a dedicated project manager may be eligible).

Category C Applications: Capital Works

Applications will be considered for works projects that are in accordance with an approved SMP and that have at least 40 hectares of contributing catchment above the location of the proposed works¹.

The following costs are eligible for funding support:

- Cadastral and topographic survey
- Civil contractors' costs and contingencies
- Cost and quantity estimation
- Detailed design
- Land acquisition
- Plant and labour
- Preparation of drawings and tender documentation
- Project management
- Service location
- Service relocation
- Traffic management

Ongoing operation and maintenance costs relating to stormwater drainage infrastructure, and other applicant costs that can be regarded as part of the normal day to day operating costs of the applicant, are not eligible for funding support.

Where an applicant proposes to use internal resources (e.g. plant and labour) in delivery of a project, SMA funding may be conditional on claims being certified by a suitably qualified Auditor.

All supported projects are to be constructed on land for which title or easement has been obtained or for which some other legally enforceable management agreement has been entered into. The purpose of this requirement is to ensure long-term access for operation and maintenance, and therefore this requirement is *not* satisfied by short-term agreements with landowners to enter land in order only to undertake the works.

Prior to commencement of construction, and at the earliest opportunity, applicants should submit the following documents to the SMA for approval:

- Detailed construction drawings (certified by the applicant's Engineer)
- A detailed construction program
- The Specification and Tender for the works.

Applicants remain responsible for ensuring that works are technically satisfactory and satisfy accepted engineering practices and standards. Applicants are also responsible for implementation, management and maintenance of approved projects.

For works projects which have a stormwater reuse, stormwater quality or environmental enhancement aspect, applicants are encouraged to consult with their relevant regional landscape board(s).

Social, Economic and Environmental Impacts

Applicants should demonstrate the social, economic and environmental impacts of the proposed capital works project at Section H of the application form.

For projects with an estimated total value of \$1 million or more, an economic assessment is required at Section L of the application form. This assessment requires the determination of the benefit cost ratio (BCR) and if applicable the reduction in average annual damages (AAD) estimated as a result of the project. As far as they can be reliably estimated, the social and environmental benefits and costs of the project should be included in the BCR.

The AAD is the average cost of damage per year to a community caused by a stormwater or flooding issue over a long period of time. AAD is an indicator of the size of a stormwater or flooding issue facing a community and, by comparison between AAD pre- and post-works, an indicator of the effectiveness of the proposed works.

¹ The SMA has discretion to contribute to works projects that are not part of an SMP and/or where there is less than 40 ha of contributing catchment above the location of the proposed works. Exercising of this discretion will require that the applicant demonstrates exceptional circumstances.

Design Standard

Selection of an appropriate design standard is an important and fundamental decision in the design of stormwater infrastructure that provides drainage services or flood protection. The design standard is the storm event for which the works are designed to provide adequate flow capacity, risk reduction or flood immunity. Selecting a design standard usually involves compromise between the financial cost of infrastructure and risk to the community.

The 1% AEP (annual exceedance probability) flood event has generally been adopted as an appropriate design standard for urbanised areas in South Australia. However, the 1% AEP design standard should not be adopted out of convenience without investigating the full range of flood events and level of risk. It is expected that the appropriate design standard will have been investigated previously (such as during the preparation of an SMP) and adopted prior to construction of the project.

Applicants are requested to justify their selection of design standard at Section K of the application form.

Land Acquisition

Applications will be considered for land acquisitions that are in accordance with an approved SMP for the purposes of mitigating flood risk, improving stormwater quality, or constructing stormwater infrastructure.

The following land acquisition costs are eligible for support:

- Valuation fees
- Legal fees
- Compensation paid
- Registration fees
- Reasonable fees associated with site history investigation and testing for contaminants

The following costs are generally *ineligible* for support:

- Demolition or removal of any fixtures or improvements to the land (unless part of an approved works project)
- Fencing or other improvements to the land
- Costs associated with the ongoing management of the land
- Remediation of site contamination.

Progress Reporting

Applicants must report to the SMA on the status of their approved projects within 14-days of the end of each March, June, September and December quarter. Progress reports must be made using the progress report and claim form which can be obtained from www.sma.sa.gov.au.

Progress reports must be sent by electronic mail in Microsoft Word (doc; docx) or Adobe Acrobat (pdf) format to sma@sa.gov.au.

Claims and Payment of Funds

Funds for approved applications will be payable to applicant in accordance with an agreed schedule of payments. Claims for payment must be submitted using the progress report and claim form available from www.sma.sa.gov.au, accompanied by any necessary supporting documentation. Claims should be sent by electronic mail in Microsoft Word (doc; docx) or Adobe Acrobat (pdf) formats to sma@sa.gov.au.

Claims will be paid once they have been assessed by the SMA as being true and correct. Therefore, claims should include sufficient details of expenditure and supporting documentation to enable this assessment to be made. Supporting documentation can include copies of invoices from service providers and contractors and/or reports from the applicant's general ledger.

Approved claims will be paid at the lesser of the actual expenditure and the approved amount. Applicants cannot divert unspent funds to other projects.

Goods and Services Tax (GST)

Payments from the SMF are exempt from GST where the SMA receives no service or supply in return for contributions paid to an applicant towards a stormwater management project.

Liability

No liability attaches to the SMA or the Crown in respect of the approval of funding towards any project or approval of any works project.

Publicity

Successful applicants are requested to ensure that appropriate acknowledgement is given to the SMA as a source of funding. Applicants should ensure that:

- All publications, articles, newsletter or literary works prepared as part of the project acknowledge the SMA's financial support
- Public signs, posters, flags and banners used in relation to the project acknowledge the SMA's financial support
- The SMA's role is acknowledged at relevant forums, workshops, conferences and project openings.

SMA logos and artwork can be obtained by contacting the SMA.

Reference Documents

Priorities for Stormwater Management Planning in South Australia 2016–2020

Stormwater Management Planning Guidelines

SMA Circular 1: Flood Modelling

Stormwater Management Fund Application Form

Stormwater Management Fund Progress Report and Claim Form

Acronyms

AAD	Annualised average damages
AEP	Annual exceedance probability
BCR	Benefit cost ratio
GST	Goods and Services Tax
SMA	Stormwater Management Authority
SMF	Stormwater Management Fund
SMP	Stormwater management plan

Further Information

For more information contact:

Stormwater Management Authority
Level 5, 81-95 Waymouth Street, Adelaide
c/- GPO Box 1047, Adelaide, SA, 5001
Telephone: (08) 8124 4787
Email: sma@sa.gov.au

Appendix: Stormwater Management Fund Applications and Claims Process

