

# QWRAP Bid Pool Arrangements

# 2020-2022

# Document 2 – Bid Pool Application Template and Guideline

# February 2020

## Overview

The Queensland Water Regional Alliance Program (QWRAP) is funded by the Queensland Government to support local governments wishing to progress regional approaches for provision of drinking water and sewerage services. QWRAP bid pool funding is provided to assist groups of Queensland council service providers increase regional collaboration aligned with the “*regional collaboration maturity model*” (see **DOCUMENT 1 – Overview of QWRAP Funding**).

The Bid Pool consists of two components and this document provides a Template and Guideline for applying for the component for funding Joint Activities and Projects. Generally, a matching co-contribution in cash will be expected for this form of application which must show how the activity/project extends beyond business-as-usual for the participating councils. Bid-pool funds must contribute to covering costs of collaboration rather than core business costs (including capital investment, training costs, and operations and maintenance expenses).

The proportion of Bid Pool contribution for collaborative work may increase as a regional alliance progresses through theregional collaboration maturity model. The model and examples of projects and activities are provided in **DOCUMENT 1 - Overview**.

**Figure 1**. Processes for accessing bid pool funding for projects and activities

**Joint Projects and Activities**

## Process for Bid Pool project and activity funding requests

Bid pool funding for joint projects and activities is available primarily for designated regions that have completed the initial review of institutional arrangements. Limited funding may be provided for other regions commencing collaboration at the discretion of the Partner Steering Committee (see **DOCUMENT 1 - Overview**). The Partner Steering Committee is comprised of members from DNRME, LGAQ and ***qldwater***.

LGAQ and ***qldwater*** (‘the QWRAP Project Management Team’) will assess all applications and requests for sums greater than $30,000 are referred to the Partner Steering Committee. Where a bid is successful, an invoice for 25% of the requested amount (identifying GST) should be submitted to the LGAQ. Further payments can be scheduled at major milestones during the project so long as at least 25% of the total is reserved for payment upon project completion.

A ‘kick-off’ meeting including a member of the QWRAP Project Management Team must be held before the project is fully initiated. This meeting will confirm the scope of the work and agreed payment milestones and set a date for a meeting at 50% completion of the project. This second meeting provides an opportunity to review progress and determine whether a funding variation can be submitted to cover any additional costs arising from the work.

**Note that QWRAP funding will not be provided without approval of an initial application or an application for variation that has been agreed by the PSC.**

At completion of the activity, an invoice for the residual of the requested funding can be submitted to LGAQ along with electronic copies of:

* 1. the summary of outcomes and outputs (**DOCUMENT 3 - *Finalisation Report*)**
  2. associated documents produced during the work

Payment of the final residual will depend on assessment and approval of the project documentation including the Project Finalisation Report. Unless negotiated otherwise, intellectual property vests in the LGAQ, although parties retain unrestricted licence to same.

## Criteria for prioritising bid pool projects and activities

Bid pool funding is made available to encourage regionalisation of water and sewerage services. Projects and activities that generate benefits consistent with regionalisation as well as strengthening services for regional communities will be prioritised. The list of potential tangible and intangible benefits can be used to demonstrate a project or activity aligns with QWRAP objectives. Not all types of benefits will be realised in any single project, but funding will be directed to those that produce the most benefits whenever possible.

### **Table 1: Comparative and intangible benefits**

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | | **Benefit** | **Examples of possible benefits\*** |
| 1 | **Maturity of Collaboration** | maturity level of collaboration before and after the work | * economies of scope and scale * progress towards regionalisation * transferability to other regions * example of activities that demonstrate high levels of regional collaboration (see **DOCUMENT 1 - Overview**, Attachment 1) |
| 2 | **Regional growth and self-sufficiency** | contribution of the project/activity to regional or council sustainability, resilience and self-sufficiency. | * improvements in level of risk management or reduction in risks * improved ability/likelihood for the region to address similar issues in future * increases in operator training/capacity and recognition * improved ability/likelihood for individual councils to address similar issues in future * regional resilience and capacity building |
| **3** | **Other intangible benefits** | Other benefits often secondary/ unintended or ‘difficult to measure’ | * increased community goodwill towards councils * better operator attraction and retention through offering greater training and opportunities * exposure to new technologies and standards * greater information sharing with other regions * improved performance reporting and benchmarking |

\* further examples are provided in **DOCUMENT 1 – Overview** and **DOCUMENT 3 – Finalisation Report**.

### **Table 2: Material Benefits**

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | | **Benefit** | **Examples of possible benefits\*** |
| 1 | **Operational benefits** | savings and cost reduction arising from the project, | * cost saving (OPEX, CAPEX or through joint procurement), * improved 3rd party service delivery, * contractual streamlining and strengthening (e.g. specifications) * uniformity and alignment for future cost reduction * appropriate deferring capital expenditure |
| 2 | **Ongoing community benefits** | outcomes for customers and communities | * Customer service or affordability improvements * Improved safety or security * Staff skills, wellbeing, health and safety * Council reputation improved or protected |
| 3 | **Benefits that support sustainability of services** | outcomes that strengthen the Queensland water and sewerage sector | * Regional resilience and sustainability * Improved regulatory compliance * Asset Management and optimisation of capital investment * Enhanced regional planning |
| 4 | **Social and Environmental benefits** | community outcomes | * Local employment including youth and disadvantaged, * Regional economic growth, * Healthier, safer and more resilient communities * Environmental benefits |

\* further examples are provided in **DOCUMENT 1 – Overview** and **DOCUMENT 3 – Finalisation Report**.

**Complete the following Template by filling in blank cells and replacing blue example text with real examples from the project/activity.**

# QWRAP Bid Pool Funding Request

|  |  |
| --- | --- |
| **Contact Information** | |
| Name of regional alliance |  |
| Date of endorsement: |  |
| Contact Person: |  |

|  |  |
| --- | --- |
| **Description of Proposed Activity** | |
| Title: | *Project name* |
| Brief overview: | *Description and rationale of work to be undertaken and how it relates to the Annual Plan or Regional Strategic Plan and criticality to the region.* |

|  |  |  |  |
| --- | --- | --- | --- |
| **Milestone** | **Month**  **/Year** | **Description** | **Payment** |
| Start | … | *Date of planned commencement* | 25% |
| Milestone 1 | … | Initial project set-up meeting prior to commencement about the approach, methodology and timeframes for the project. | *?* |
| Milestone 2 | … | …. | *?* |
| ... | … | …. | *?* |
| Milestone ? | 50% | Project review meeting at 50% completion to discuss progress. | *?* |
| ... | … | …. | *?* |
| Completion | … | *Expected date of completion of funded project/activities* | *25%-75%?* |

**Cash and in-kind contributions**

|  |  |  |
| --- | --- | --- |
| **Name of contributor** | **Cash (incl-GST)** | **In-kind (incl-GST)1** |
| Council 1: | $ | $ |
| Council 2: | $ | $ |
| Council 3: | $ | $ |
| Council 4: | $ | $ |
| Council 5: | $ | $ |
| Council 6: | $ | $ |
| **Sub-total** | $ | $ |
| *Other organisation2* | $ | $ |
| ***Bid pool request3*** | $ |  |
| **TOTAL** | $ | $ |

In-kind contributions (e.g. travel, administration, hosting, staff salaries and oversight may be estimated using a 1.5 multiplier of estimated salaries as follows: **in-kind = no. staff in each category x no. days x salary/261 x 1.5**.

* + 1. Category 1- $70,000, Category 2- $100,000, Category 3- $140,000

Example: If ten Category 2 committee members spent four meeting days in meetings and four days in associated activities, the in-kind contribution is: 10 (people) @ $100,000 (Cat. 2) x 8 (days) x / 261 (workdays) x 1.5 = $45,977.

2 If an organisation beyond the participating councils is involved as project partner then a steering group including the partner must be formed under Terms of Reference equivalent to the template provided at Attachment 1.

3 Bid pool requests greater than $30,000 will be referred to the Project Steering Committee (see **DOCUMENT 1-Overview**) and will be subject to greater post-project reporting requirements (see **DOCUMENT 3 – Finalisation Report**).

# QWRAP Bid Pool Funding Request (cont.)

|  |  |
| --- | --- |
| **Criteria** | **Expected outcomes and outputs** |
| Contribution to regional collaboration maturity and council/regional strategies. | *Benefits that assist that demonstrate progression through the maturity model (e.g. economies of scope and scale, progress towards regionalisation, innovative collaboration, transferability to other regions, activities that demonstrate high levels of regional collaboration (see* ***DOCUMENT 1 - Overview****, Attachment 1).*  *Contribution to the strategies for the region and its councils and the Annual Workplan of the QWRAP group (see* ***DOCUMENT 4 – Annual Workplan****).* |
| Improving regional growth and self sufficiency | *Contribution to regional or council sustainability, resilience and self-sufficiency (e.g. improvements in level of risk management or reduction in risks, improved ability/likelihood for the region (or individual councils) to address similar issues in future, regional capacity building (see TABLE 1).* |
| Expected intangible benefits | *Benefits that are expected from the projects but are difficult to measure (see TABLE 1). (e.g. A collaborative regional training approach allows staff to make cross council networks)* |
| Projected ‘Material Benefits’ | *Financial benefits or savings, operational benefits or improvement sin levels of service, community and environmental benefits (see TABLE 2 for more examples).* |
| Communication and promotion opportunities | *Communication opportunities that can promote regional collaboration or community awareness of Water and Wastewater Services or of QWRAP (e.g. any press releases or media articles, customer flyers or other collateral – e.g. mains cleaning and sewer relining commonly have photographs to promote the effectiveness of the works).* |

# Checklist for submission of bid pool applications

|  |  |
| --- | --- |
| **✓** | **Item** |
| 🞏 | project planned and endorsed by regional QWRAP steering group(s) |
| 🞏 | preliminary discussion of scope with LGAQ |
| 🞏 | submission of Bid Pool funding request (this document) to LGAQ including details of funding contributions, bid pool request and projected benefits of the project/activity submitted prior to work commencing |
| 🞏 | invoice for initial 25% of total bid pool request forwarded to LGAQ |
| 🞏 | Project Steering group with Terms of Reference with a minimum of three planned meetings if the work includes partner(s) beyond the participating councils. |
| 🞏 | Updates planned for regional steering group and QWRAP management team through technical meetings and Chairs & Coordinators teleconferences |
| 🞏 | initial kick-off meeting and 50% progress meeting planned with QWRAP Management Team |
| 🞏 | requirements for Project Finalisation report (see **Document 3**) reviewed and reasonably expected to be achievable |
|  |  |
|  |  |

**Attachment 1**



QWRAP Terms of Reference Template

for Project Steering Groups

February 2020

These Terms of Reference (ToR) set the roles and responsibilities of the Steering Group for the *\_\_\_\_\_\_\_\_\_\_\_\_\_ Project* funded by the Queensland Water Regional Alliance Program. The ToR are intended to provide transparency for groups responsible for overseeing complex projects or those that include partners outside the participating councils within a QWRAP region. The aim is to ensure that all partners external to the regional QWRAP committee are aware of their responsibilities and ability to influence a project.

*This template may be altered or amended at the discretion of the regional QWRAP committee with the agreement of the Chair and regional coordinator.*

# Roles of the Steering Group

## Maintain and implement these Terms of Reference

The Steering Group will:

* Support and Monitor agreed project activities.
* Contribute to planning and endorsing project changes or variations.
* Provide technical support and advice as appropriate.
* Identify and communicate new threats and opportunities and seek common responses.
* Contribute to reviewing, communicating and promoting the outputs or the work.

# Governance

The following elements form agreed governance arrangements.

## Membership

Membership of the Steering Group will be determined by the regional QWRAP committee. Additional members may be nominated by the Steering Group but must be endorsed through the regional QWRAP committee. If a Steering Committee member cannot participate in a particular meeting or with respect to a specific issue, they may nominate a proxy.

## Quorum

Representatives of all external members along with the Chair or Coordinator of the regional QWRAP committee are required to constitute a quorum.

## Meetings

The Steering Group shall meet at least at (1) commencement, (2) 50% completion and (3) at project finalisation. Meetings may be conducted via videoconference or teleconference unless otherwise agreed by the Steering Group.

## Minutes

Minutes will recorded by the Chair or Coordinator of the regional QWRAP group and distributed for review within two weeks of a meeting.

## Decisions

Decisions of the Steering Group shall be by consensus. If agreement cannot be reached by consensus, each party has the right to escalate issues according to the “Dispute Resolution” procedures outlined below.

**Dispute resolution**

Stage 1: Resolve the issue informally among organisations represented on the Steering Group. Issues that cannot be resolved are to be escalated to Stage 2.

Stage 2: Resolve the issues through the regional QWRAP group with a formal decision reported to all project participants.