

Local Government Recovery Grants (AGRN 1030/1034):

Eligible Program Expenses

The Local Government Recovery Grants program is jointly funded by the Australian and NSW Government and administered by the Office of Local Government under Category D of the Disaster Recovery Funding Arrangements (DRFA) 2018.

Eligible councils have been provided an upfront payment of \$1 million which can be used towards eligible projects as outlined in the Program Guidelines. Upon signing the Grant Acknowledgement Schedule council has agreed to report project progress on a regular basis as outlined in the program guidelines, which includes reporting on actual expenditure against the total grant amount.

Council will need to maintain and make available relevant documentary evidence for all project expenditure, should they be selected for audit (either compliance testing or annual State and Commonwealth independent audits). The table below outlines eligible expenses included under this program as well as examples of types of documentary evidence which may be requested.

Eligible expenses council may claim under this program:

Note: this list is not exhaustive. NSW Office of Local Government, NSW Reconstruction Authority and/or external auditors may request further documentation if necessary.

Expense Item	Explanation for eligibility to claim
Extraordinary local government labour costs	<p>Only extraordinary local government labour costs may be claimed for staff directly associated with delivering an eligible project.</p> <p>What are extraordinary local government labour costs? Extraordinary local government labour costs are costs that are not otherwise existing/ ongoing/ budgeted for and include:</p> <ul style="list-style-type: none"> ○ employment of additional fixed-term temporary staff ○ employment of additional casual staff ○ costs for any existing budgeted/ ongoing staff who work beyond their agreed ordinary working hours, as per their employment contract or regular pattern of work (e.g. overtime or additional hours). ○ extraordinary costs to backfill budgeted/ ongoing staff who are temporarily seconded to work directly in the delivery of an eligible project, including: <ul style="list-style-type: none"> ➤ the employment cost of an additional casual or fixed-term temporary staff to backfill the secondee (by external appointment only). The amount claimable is only the labour costs related to the external appointment. ➤ if applicable, the difference between the secondee's substantive salary and the secondment salary (e.g. Higher duties costs)

Expense Item	Explanation for eligibility to claim																								
	<p>Any ordinary/normal hours for existing budgeted/ ongoing staff, regardless of the nature of work they have done, are not eligible for reimbursement under this program. This includes any ordinary work hours where work tasks were related to responding to an eligible disaster.</p> <p>In instances where council have existing casual or temporary employees, council may re-deploy these staff to eligible projects under this program (council must be able to demonstrate that staff have been redeployed or tasked with the new project and that existing casual or temporary staff are not normally funded under any other funding/grant assistance measure).</p>																								
<p>Oncosts on employee related expenses</p>	<p>Oncosts for eligible employee related expenses are claimable as per the tables below. These oncost rates have been agreed between the Commonwealth and the State under the Disaster Recovery Funding Arrangements 2018 (DRFA) and are the maximum rate of which council can claim.</p> <ul style="list-style-type: none"> • Council should only claim the actuals of oncosts for eligible employees. • Overtime costs only attract workers compensation and not any other oncosts. <p>The tables below provide the maximum rates for councils and is based on the Local Government Award rate. Applicable rates are dependent on an individual employee's employment type and agreed leave entitlements.</p> <p>Fixed Term-Temporary Staff</p> <table border="1" data-bbox="456 1171 1342 1644"> <thead> <tr> <th colspan="2" data-bbox="456 1171 1342 1227">Local Gov State Award 1 July 2023 onwards – Councils</th> </tr> <tr> <th data-bbox="456 1227 900 1283">Component</th> <th data-bbox="900 1227 1342 1283">Rate</th> </tr> </thead> <tbody> <tr> <td data-bbox="456 1283 900 1344">Annual Leave</td> <td data-bbox="900 1283 1342 1344">7.69%</td> </tr> <tr> <td data-bbox="456 1344 900 1404">Sick Leave</td> <td data-bbox="900 1344 1342 1404">5.77%</td> </tr> <tr> <td data-bbox="456 1404 900 1464">Public Holiday</td> <td data-bbox="900 1404 1342 1464">3.85%</td> </tr> <tr> <td data-bbox="456 1464 900 1525">Superannuation</td> <td data-bbox="900 1464 1342 1525">10.5% for 22/23 FY 11% for 23/24 FY</td> </tr> <tr> <td data-bbox="456 1525 900 1585">Leave Loading</td> <td data-bbox="900 1525 1342 1585">n/a</td> </tr> <tr> <td data-bbox="456 1585 900 1644">Workers Compensation</td> <td data-bbox="900 1585 1342 1644">2.38%</td> </tr> </tbody> </table> <p>Casual Staff</p> <table border="1" data-bbox="456 1704 1342 1944"> <thead> <tr> <th colspan="2" data-bbox="456 1704 1342 1760">Local Gov State Award 2020 – Councils</th> </tr> <tr> <th data-bbox="456 1760 900 1821">Component</th> <th data-bbox="900 1760 1342 1821">Rate</th> </tr> </thead> <tbody> <tr> <td data-bbox="456 1821 900 1881">Superannuation</td> <td data-bbox="900 1821 1342 1881">10.5% for 22/23 FY 11% for 23/24 FY</td> </tr> <tr> <td data-bbox="456 1881 900 1944">Workers Compensation</td> <td data-bbox="900 1881 1342 1944">2.38%</td> </tr> </tbody> </table> <p><i>Amounts are subject to change in accordance with applicable awards.</i></p>	Local Gov State Award 1 July 2023 onwards – Councils		Component	Rate	Annual Leave	7.69%	Sick Leave	5.77%	Public Holiday	3.85%	Superannuation	10.5% for 22/23 FY 11% for 23/24 FY	Leave Loading	n/a	Workers Compensation	2.38%	Local Gov State Award 2020 – Councils		Component	Rate	Superannuation	10.5% for 22/23 FY 11% for 23/24 FY	Workers Compensation	2.38%
Local Gov State Award 1 July 2023 onwards – Councils																									
Component	Rate																								
Annual Leave	7.69%																								
Sick Leave	5.77%																								
Public Holiday	3.85%																								
Superannuation	10.5% for 22/23 FY 11% for 23/24 FY																								
Leave Loading	n/a																								
Workers Compensation	2.38%																								
Local Gov State Award 2020 – Councils																									
Component	Rate																								
Superannuation	10.5% for 22/23 FY 11% for 23/24 FY																								
Workers Compensation	2.38%																								

Hire of contractors /labour hire	Costs incurred for the hire of contractors and services directly associated with the delivery of an eligible project.
Travel and accommodation expenses	Direct accommodation and travel costs incurred for staff deployed to work directly in the delivery of an eligible project. The costs can be an allowance or based on actuals as per councils' policy.
Communications Technology	<p>Direct costs incurred for the establishment of additional telephone/mobile plans or internet services and equipment directly related to an eligible project.</p> <p>Note: The maximum amount for capital items claimed under this program is limited to 5% of the total grant value. Claims for the purchase of hardware associated with communication and technology such as mobile phones, laptops etc. must be calculated within the 5% limit.</p>
External plant hire / rental costs	<p>Direct costs incurred for the hire of external plant or equipment used directly in the delivery of an eligible project.</p> <p>There is no limit to the value items hired or leased from an external provider which are used specifically for the delivery of an eligible project.</p>
Extraordinary local government owned plant operating costs	The only extraordinary operating costs which may be claimed for local government owned plant is for fuel or other necessary consumables required to operate the plant equipment (e.g. whipper snipper cord). These extraordinary operating costs must be incurred in the delivery of an eligible project.
Extraordinary materials and consumables	<p>Direct costs incurred for materials and consumables required to deliver an eligible project. This may include items such as:</p> <ul style="list-style-type: none"> • Project materials (see below for purchases considered capital items) • milk, sugar, tea, coffee, biscuits, cups etc purchased to provide refreshments for the affected community and kitchen and bathroom items such as soaps, toilet paper, paper towel, tissues, detergents and dishcloths. Costs associated with these items for the consumption of employees is not claimable. • printing items such as signage, posters, flyers etc. • advertising costs incurred to promote the project and its services to the community, e.g. newspaper advertisements, social media etc. • stationery e.g. reams of paper, pens, notepads, printer cartridges
Capital items	<p>The total amount claimable for <u>all</u> capital items is limited to a maximum 5% of the total grant value.</p> <p>This includes direct costs incurred for the purchase or upgrade of capital items or equipment that are required to deliver an eligible project, and are items which council will retain beyond the life of the project (e.g. mobile phones, laptops, whitegoods, electronics, plant machinery or equipment, tools, office furniture).</p>

Expense Item	Explanation for eligibility to claim
Temporary rental costs for office accommodation	<p>Direct costs incurred for temporary rental of office accommodation (that is not council owned), where additional office accommodation was required to deliver an eligible social or economic recovery project.</p> <p>Note: Rental costs for use of council owned facilities and loss of revenue on council owned buildings or any other building are not eligible to be claimed under this program.</p>
<p>Evidence to support expense item may include (but not limited to):</p> <ul style="list-style-type: none"> • Timesheets, pay slips, rosters • Works requests, logbooks • Evidence from awards or some other authoritative document used to calculate the hourly rate for time worked and /or oncosts • Evidence of employment or redeployment (e.g. letter of offer / employment) • Invoices • Evidence that contractor/ services/materials/equipment/travel/ accommodation was required and used for an eligible project • Photographic evidence of works completed, or copies of materials provided • Stock issue note / record • Calculation of unit cost for stock items • Any evidence that demonstrates the rationale between the expense incurred and the project requirement 	