Tourism Experience Development Fund

Industry guidelines

Queensland Government

Contents

1.   Overview

Queensland's overall economic success depends on the success of the state's visitor economy.

In early 2021, the Queensland Government established an independent Tourism Industry Reference Panel (the Panel) to work with industry to identify actions needed to accelerate economic recovery from the pandemic and position the state's tourism industry for future growth.

In October 2021, the Panel released its preliminary advice through the Interim Action Plan for Tourism Recovery, and in June 2022, the Panel presented Government with its final Action Plan – *'Towards 2032: Reshaping Queensland's visitor economy to welcome the world'* (the Action Plan).

The Action Plan outlines a strong vision for the Queensland visitor economy, supporting growth and jobs, as well as contributing to local communities and environmental outcomes; including that by 2032, Queensland will be Australia's destination of choice for domestic and global visitors, as a leading international destination.

In the Queensland Government's Interim Response to the Action Plan, the Queensland Government committed to progressing actions in areas of clear opportunity within and linked to the Panel's recommendations, such as partnering with industry to deliver new and enhanced compelling tourism products and experiences.

The $15 million Tourism Experience Development (TED) Fund (the Fund) is a key initiative under the Queensland Government's Interim Response.

1.1   Fund aim

The aim of the $15 million Fund is to:

- rebuild visitor confidence in Queensland's tourism industry
- drive demand for Queensland destinations
- meet the changing preferences of consumers through enhanced tourism products.

1.2   Fund objectives

The key objective of the Fund is to support the development of:

- new and enhanced tourism products and experiences that may include contemporary refresh of existing products and experiences, diversifying the tourism offering in a region and/or improving the customer experience
- increase overnight visitor numbers and expenditure
- deliver regional economic, community impact and sustainability benefits.

To be considered under this Fund, projects should include high growth attributes such as:

- Ecotourism - to showcase the State's natural assets
- Accessible and inclusive tourism
- First Nations experiences and
- Adventure tourism.

2.   Available funding

The Queensland Government, through the Department of Tourism, Innovation and Sport (DTIS), has committed $15 million (excluding GST) to the Fund. Details of the Fund are:

- Funding will be offered over one round.
- The minimum grant available is $50,000 (excluding GST) and the maximum grant available is $200,000 (excluding GST)
- Applicants are required to contribute at least 75% of the total project eligible costs, i.e., for a project valued at $200,000 (excluding GST), the maximum grant funding available would be $50,000 (excluding GST). Similarly for a project valued at $800,000 (excluding GST) the maximum grant funding available would be $200,000 (excluding GST).
- Projects can be of a much greater value however all additional costs will need to be covered by the applicant.

3.   Eligibility criteria

3.1   Applicant

To be eligible to apply for funding an organisation must:

- have an established operating base in Queensland with a tourism-related focus
- have an Australian Business Number (ABN), an Australian Company Number (ACN) or exemption from these, and
- be registered for GST.

In addition, an organisation must be one of the following:

- a private sector business (e.g. a for-profit)
- a not-for-profit organisation (e.g. community organisation), or
- a local government authority.

3.2   Projects

Projects will be supported that meet the aims and objectives of the Fund. The types of projects that may be considered under the Fund include:

- new and/or enhanced tourism experiences that diversify tourism offerings and/or showcase Queensland's natural assets, e.g. adventure offerings
- expansion or upgrades of existing products that broaden visitor appeal and/or address shortcomings in existing tourism experiences
- development of interactive displays within existing tourism products
- introduction of innovation and new technologies that improve and/or create visitor experiences
- upgrades and enhancements to improve accessibility
- incorporation of First Nations perspectives within existing or new visitor experiences
- built assets that support the product or experience
- improved transportation that activates products or experiences, e.g. boat for a tour, vehicles or e-bikes
- experiences that overcome seasonality challenges, such as evening visitor experiences in the Outback.

3.3   Eligible project costs

Eligible project costs are those costs directly associated with the delivery of the project. Only new projects are eligible for funding and project works must not have commenced prior to funding being approved for the project.

Eligible costs include those costs that are incurred by an applicant within the approved project period that directly relate to the project such as :

- infrastructure upgrades to improve or diversify existing tourism visitor experiences
- new equipment and/or technology to enhance the tourism experience
- value-adding to existing experiences with additional activities, e.g. interpretative or interactive tourism signage
- improvements that enhance disability access, e.g. accessible features
- contract labour, materials and equipment hire directly related to the project.

3.4   Ineligible projects/costs

Applications will not be accepted for:

- activities that have commenced before the grant has been approved
- works that are considered as maintenance for existing infrastructure
- wages and salaries for an applicant's employees or consultants
- feasibility studies, business cases or similar activities
- training costs to implement the new product or activity
- marketing activities such as websites, traditional and digital marketing, subscriptions or contract fees to third party marketing distributors.
- general business administration or operating costs
- projects that do not align to the intent of the Fund.

4. Application process

Applications under the Fund will be submitted through the DTIS Smartygrants portal (live from 15 July 2022 when applications open).

To apply for this funding, applicants must:

- complete the online application form via the Smartygrants portal
- provide all necessary supporting information/evidence
- address all eligibility criteria and assessment criteria
- provide a detailed project plan which includes:
  - the project's objectives and benefits from the project
  - the location/s of eligible activities
  - a Gantt chart or detailed delivery/works schedule showing timeframes for all project stages up to and including project completion
  - cash flow forecast
  - implementation methodology
  - procurement plans and evidence of project costings
  - evidence of capacity and capability to deliver the project
- provide estimated economic benefits including additional overnight visitor expenditure, jobs created through development of the project and when operational
- provide evidence that the project is ready and able to commence within three months of approval and be fully completed by 30 June 2024
- provide organisational financials for the past two (2) years:
  - where audited financial statements are available, copies of financial statements and auditors report
  - where audited financial statements are not available, copies of Profit and Loss and Balance Sheet reports
- support of key industry stakeholders
- identify the co-contribution the applicant will make towards the total activity cost, including in-kind contributions and provide evidence of same
- submit the application by the closing date and time.

The lodgement of an application does not guarantee that funding will be approved.

5. Assessment and approval

5.1 Assessment

An Assessment Panel will be formed and chaired by DTIS to assess projects and evidence against the Fund's objectives and eligibility and assessment criteria.

To be considered under this Fund, applicants will need to address eligibility and assessment criteria and provide financial statements for the previous two years of operation.

The Assessment Panel may seek expert and tourism advice from other government agencies and regional tourism organisations during the application assessment process.

A risk-based assessment will be made to determine the need for due diligence on applicants and economic assessment of projects.

Criteria 1: Fund objectives and economic value (weighting 50%)

The application must demonstrate the proposed project will deliver on key fund objectives and provide economic value. Consideration will include the extent the proposed project will:

- Develop sustainable, new and improved tourism experiences:
  - demonstrates innovation in tourism product and service delivery
  - addresses unmet consumer demand
  - is able to be booked online and included in travel itineraries
  - will improve the customer's tourism experience.

- Deliver a value-for-money outcome to the State:
  - create jobs through product and experience development and operational phases
  - will extend the length of time visitors will spend in the region
  - will increase overnight visitor expenditure
  - deliver regional economic, community impact and sustainability benefits.

- Be technically, commercially and practically feasible and viable:
  - has sound project risk assessment and mitigation strategies
  - forecast capital and operating costs, and expected project revenues.

- Align with industry priorities such as the Action Plan for Tourism Recovery.

Criteria 2: Project readiness and completion (weighting 30%)

The applicant must demonstrate the proposed project will be ready to commence within three months of the date of approval, and be fully complete by 30 June 2024. Consideration will include:

- evidence that suppliers have the capacity to deliver the project within the required timeframes
- evidence that supports project delivery such as detailed project plan, Gantt chart or detailed delivery/ works schedule showing timeframes for all project stages up to and including project completion
- support of Traditional Owners, including any native title agreement with relevant stakeholders, as required

- compliance with cultural heritage duty of care, where applicable
- consideration of environmental impacts, including approvals where applicable to the project
- For built activities:
  - extensive plans, sections and elevations of each element of the proposal in the context of a functional layout of the overall facility, where required
  - quantity surveyor quote/s, where required
  - evidence of land tenure
  - development approval (where required)
- all other relevant approvals.

Criteria 3: Risk and cost allocation (weighting 20%)

The Assessment Panel will have regard to the balance of risk and cost proposed between government and the applicant, in determining whether a project presents an acceptable proposition to the State.

The application must demonstrate significant benefits to the State, in proportion to the level of risk and cost taken on.

Proposals which present a lower risk proposition to government will have a greater likelihood of successfully satisfying this criterion. Consideration will include:

- Evidence of the applicant's ability to contribute the required 75% of the total project cost, including evidence confirming any financial contributions from third parties.
- Evidence of the proponent's profitability through organisational financials
- Letters of Support from key industry stakeholders.
- Industry assessment frameworks and accreditation, such as "Best of Queensland Experience" program.

5.2   Approval

The Assessment Panel will consider initiatives/projects for funding consideration and will make recommendations to the Director-General of DTIS. All proponents will be notified in writing of the decision.

6. Funding agreement

Successful applicants will receive a written offer of financial assistance. If the applicant accepts the offer, they will be required to enter into a legally binding contract with DTIS.

The agreement will provide details on general and specific conditions associated with delivery of the approved project. A draft funding agreement will be available on the **fund's webpage** from 15 July 2022 when applications open.

An example of the terms and conditions of a standard DTIS contract is available at the website **publications.qld.gov.au/dataset**

7. Grant funding payments

As a guide, successful recipients may receive funding in two instalments:

- The first payment of 50% of the approved grant funding may be paid upon the recipient entering into a legally binding agreement with DTIS
- The second payment of up to 50% may be paid on completion of the project.

DTIS reserves the right to vary grant funding payments on a project-by-project basis having regard of risk to Government.

Note: Grants are subject to the Goods and Services Tax (GST). DTIS will increase grant recipients grant payments to pay for GST.

Some grants are considered assessable income for taxation purposes, unless exempted by a taxation law. It is recommended that grant recipients seek independent professional advice on their taxation obligations or seek assistance from the Australian Taxation Office as DTIS does not provide advice on tax.

8. Reporting requirements

Projects are monitored through progress and financial reporting in line with the Funding Agreement. In addition, photographic evidence may be requested to support claims made.

Templates are provided for these reports and when due will be generated through the Smartygrants online portal for grant recipients to complete and submit.

Grant recipients will be notified by email of reporting requirements one month prior to the agreed milestone date. Grant recipients will be expected to report on:

- Progress against agreed project milestones
- Contributions directly related to the project
- Expenditure of grant funds and the grant recipient's agreed financial contribution. Grant recipients are required to keep all project related invoices and provide evidence of payments.

9.   Key dates

These dates are indicative only and subject to change as required.

Fund launch	**28 June 2022**
Applications open	**15 July 2022**
Applications close	**26 August 2022**
Outcome of applications advised	**30 September 2022**
Project completion date	**30 June 2024**

10.   Privacy

The Queensland Government collects and collates information from the application form to assess applications for the Fund. Only authorised departmental offers and approved grant assessors have access to this information.

Applicants should note that broad details of successful proposals, agreed outcomes, progress and the level of funding awarded may be published by the Queensland Government. Some information may be used to promote funded projects.

Personal information will not be disclosed to any other third party without consent, unless required by law or for the purposes of *Information Privacy Act 2009*.

For audit purposes, the Queensland Government is required to retain the applications and other supplied supporting material.

The provisions of the *Right to Information Act 2009* apply to documents in the possession of the Queensland Government.

11.   Complaints

All funding decisions made in relation to applications are final. Under the department's **Complaints Management Policy**, DTIS has established processes for dealing with complaints and is committed to effectively managing concerns in a fair, transparent and timely manner. If an applicant has any concern in relation to the application or assessment process, a formal complaint may be submitted to the department via **GrowingTI@dtis.qld.gov.au**.

12.   Further information

If you require any further information or clarification of these guidelines, please contact the Growing Tourism team:

Email: **GrowingTI@dtis.qld.gov.au**