



Australian Government

Department of Infrastructure, Transport,
Regional Development, Communications and the Arts

Guidelines

Active Transport Fund

October 2024

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1 About the Guidelines

These Guidelines outline the eligibility criteria, application process and certain administrative requirements for the Active Transport Fund (the program).

The program is governed by and administered under the following (as in force or implemented from time-to-time):

- the *National Land Transport Act 2014* (Cth) (NLT Act);
- the Intergovernmental Agreement on Federal Financial Relations (FFR);
- the Federation Funding Agreement – Infrastructure (FFA) and the FFA Schedule on Land Transport Infrastructure Projects (FFA Schedule), the associated Funding Tables;
- the Notes on Administration for Land Transport Infrastructure Projects (NoA); and
- these Guidelines.

The program is a sub-program for the purposes of the FFA Schedule Funding Tables. Projects under this program are administered under the NLT Act, and payments for this program are made to States and Territories under the FFA and Funding Table, including where the applicant is a Local Government Authority (LGA). The Guidelines should be read subject to the NLT Act, and in conjunction with relevant sections of the FFR, FFA and Funding Tables and the NoA.

A glossary of common terms can be found on page 28 of the Guidelines.

1.1 Processes for the program

The program opens for applications on 31 October 2024

Applications open 31 October 2024 and close on Monday 13 January 2025 at 11:59pm (AEDT).



Applicants to complete and submit applications

Applicants complete the application form and address all of the eligibility and assessment criteria to be considered for funding under the program.



The department to assess all eligible applications

The department will check all applications against the eligibility criteria and assess eligible applications against the assessment criteria, including an overall consideration of relevant value with money, and compare it to other applications.



The department to recommend projects for funding

The department will recommend projects to the Minister (or their delegate) for approval taking account of the program's budget.



Ministerial decision on projects to fund

The Minister decides which applications are successful.



The department to notify applicants of the outcome

The department will advise applicants on the outcome of their application. The department may not notify unsuccessful applicants until Funding Offers have been executed with all successful applicants.



Funding Offers for successful applicants

The department will execute a Funding Offer with successful applicants. The Funding Offer will contain schedules detailing matters including the project scope, project budget, deliverables, milestones and payments.



Delivery of project

The proponent will undertake the project activity as set out in the Funding Offer. The department will manage the project by working with the proponent, monitoring project progress and making payments.



Evaluation of the Program

The department will evaluate the specific project activity and the program as a whole. The department will base this on information provided to us and collected from various sources.

1.2 About the Active Transport Fund

The program commences on 31 October 2024 to provide funding for the design and construction of new or existing bicycle and walking pathways to encourage the use of active transport.

Through the program, \$100 million in funding will be available from 2024-25 to 2028-29.

The aim of the program is to encourage an increase in active transport through the upgrade of existing and construction of new bicycle and walking pathways across Australia.

The program has been created as part of the Australian Government's commitment, under the National Road Safety Strategy 2021-30, to improve road safety outcomes for bicyclists and pedestrians. The program also supports the Australian Government's commitment to reducing transport emissions and supporting active and liveable communities.

The program is an application-based, merit-assessed funding program, open to all state and territory governments and Local Government Authorities (LGAs). Applications must be for bicycle or walking pathways and must directly address at least one of the program's focus areas which are linked to active transport priorities.

The Focus Areas for the program are:

- road safety
- reducing transport emissions
- active and liveable communities

The program has been designed to give flexibility to address current and emerging active transport priorities. If funding is not fully allocated, additional tranches may be announced in the future at the discretion of the Australian Government.

2 Eligibility criteria

This section outlines the eligibility criteria for applications under the program. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (department) will only consider applications that satisfy all eligibility criteria.

2.1 Eligible applicants

2.1.1 Applications can only be made by state and territory governments and all LGAs, including:

- the relevant authorities that provide local council services for Christmas Island, Cocos (Keeling) Islands and Norfolk Island.
- the relevant state governments and authorities that provide local council services to ‘unincorporated areas’ in Australia
- the Local Government Association for NT for specific local roads on behalf of some regional NT councils.

2.1.2 Where an applicant referred to in 2.1.1 proposes to carry out a project in partnership with another entity, the application may only be in the name of an applicant referred to in 2.1.1.

2.2 Eligible projects

Projects must meet all eligibility requirements detailed in this section.

Eligible projects must:

- Be for the upgrade of an existing or construction of a new bicycle or walking pathway;
- Directly address at least one focus area, and be supported by evidence;
- Be located on a publicly owned road asset or corridor that is accessible to the public; and
- Be a whole and complete project (not reliant on other works).

2.2.1 Be for the upgrade of an existing or construction of new bicycle or walking pathway

Projects must be for the design and construction of new or existing bicycle or walking pathways to encourage the use of active transport.

Projects must have the primary purpose of ‘construction’ (as defined in section 4(2) of the [NLT Act](#)) of a road-based asset (which meets the definition of a ‘road’ as defined in section 4(1) Road of the [NLT Act](#) and the National Land Transport Regulations 2022). Construction can include both the upgrade and/or replacement of a road-based asset. However, maintenance or design only projects are ineligible under the program.

- A pathway is a road-based asset as defined in section 4(1) Road of the [NLT Act](#) and the National Land Transport Regulations 2022.
- Pathways must be on a road asset or corridor, but may be a separated pathway within that corridor.

Non road-based assets are not eligible under the program.

2.2.2 Directly address one or more Focus Areas

Projects must directly address one or more of the Focus Areas in the table below. These Focus Areas relate to priorities in active transport.

The Australian Government may choose to seek applications that address only one Focus Area or target area. Any changes will be communicated to applicants in advance.

Applications should outline how project outcomes address the Focus Area and relevant target area. Supporting evidence demonstrating how the project directly addresses a Focus Area must be provided.

Examples of supporting evidence may include:

- Safety plans, road safety audits and infrastructure asset reports
- Existing Net Zero plans or strategies
- Analysis that shows the project will increase cyclist or pedestrian numbers, increase use of public transport or remove cars from roads
- Active Transport Strategies
- Urban Strategies to connect communities and increase liveability

Focus Areas	Objectives	Target Areas
Road safety	To improve road safety and reduce road trauma for cyclists and pedestrians.	<p>Projects at locations where cyclists and pedestrians are at greater risk of road trauma, which supports the Infrastructure Policy Statement and the Vulnerable Road User priority of the National Road Safety Strategy 2021-30.</p> <p>Projects based on safety considerations and strategic alignment with existing plans (including safety plans, road safety audits and infrastructure asset reports), advocating for a systemic approach to road safety to maximise the impact of the intervention/s.</p>
Reduce transport emissions	To support commuters to choose more efficient,	Projects focused on reducing transport emissions through enabling people to

Focus Areas	Objectives	Target Areas
	healthy, affordable and sustainable modes of transport, including walking and cycling.	choose active transport, or a combination of public and active transport, over private vehicle journeys. This supports the Australian Government’s commitment to achieving Net Zero by 2050.
Active and liveable communities	To invest in projects which better connect people and where they live and work, reduce traffic-related air and noise pollution, promote outdoor physical activity, while also providing better opportunities in lower socio-economic areas.	<p>This includes active transport projects which better connect people and where they live and work, promote outdoor physical activity, while also providing better opportunities in lower socio-economic areas. Projects should also create and support local jobs both during construction, and also as a result of the project.</p> <p>Projects in lower socio-economic areas, including projects that advance equity for Indigenous Australians and vulnerable communities, and improve the prosperity, accessibility and liveability of our communities.</p> <p>Projects may include those that promote active travel as a form of physical activity to improve health outcomes.</p>

2.2.3 On a publicly owned road asset or corridor that is accessible to the public

Pathways must be on a publicly owned road asset or corridor which is accessible to the public.

Projects on privately owned roads or land are ineligible.

2.2.4 Be a whole and complete project

The pathway must be a standalone project that is not reliant on the completion of other works. Artificial divisions of a larger project into smaller projects to fit under the Australian Government funding limit will be deemed ineligible.

An example of an ineligible project is an artificial sub-division of a pathway into smaller sections of the same pathway, where each project will not be complete without the other projects

2.3 Funding eligibility

2.3.1 Funding rules

The program is designed to support pathway projects that cannot commence without funding support from the Australian Government. The program will not support projects already underway, including where tenders have been awarded, construction has already commenced or will commence ahead of an application being approved and funding offer signed.

The Australian Government will only fund activities for a project once under the program. Applicants must not make a profit from the project. The program must not be used to cost shift business as usual expenditure to the Australian Government.

The funding is not intended to replace existing expenditure commitments or regular scheduled maintenance but rather to enable further, additional expenditure as needed to address active transport options.

The program will contribute up to a maximum of \$5 million in Australian Government funding for each eligible project.

All projects will require a funding co-contribution which may be sourced from LGAs, state and territory governments, other Australian Government programs and/or private funding sources. Applicants are required to list all funding sources being used to meet their project cost contribution in the application form.

When an application is submitted all funding co-contributions must be secured and evidence of this supplied with the application. Co-contributions from other Australian Government programs must also comply with the rules and/or guidelines for that program.

For **projects submitted by state and territory governments**, the program will contribute up to 50% of the total project cost for all projects, regardless of project location, up to the cap of \$5 million per project, unless otherwise agreed by the Minister.

For **projects submitted by LGAs**, the Australian Government recognises that some LGAs, particularly those in regional areas, may be limited in their ability to provide a 50% co-contribution. Alternative funding co-contributions can be sought as part of the application.

Where an alternative co-contribution is sought, justification must be provided to demonstrate the need for an alternative arrangement.

The definition of regional is taken from the [Australian Statistical Geography Standard](#). Urban projects are those located in Major Cities of Australia and regional projects are those in any of the other remoteness categories (Inner Regional, Outer Regional, Remote and Very Remote).

The program provides funding to projects under the [NLT Act](#) with approved projects to be administered under the FFA Schedule. Payments will be made to, and through, state and territory governments. Where the applicant is an LGA, the relevant state or territory government will be the eligible funding recipient under the NLT Act, and responsible for providing the funding to the LGA. The Australian Government will not provide funding directly to LGAs (refer to section 5.3 below)

2.3.2 Eligible and ineligible project costs

In accordance with section 20 of the [NLT Act](#) an Applicant must expend funds wholly on approved purposes for the funded project.

All eligible project costs must be part of a pathway project.

The table below lists examples of project costs likely to be eligible and ineligible.

Eligible project costs	Ineligible project costs
<ul style="list-style-type: none"> • re-alignment of pathways to improve safety • separate pathways along a road corridor • kerb extensions • intersection upgrades • pedestrian and cyclist crossings and refuges • widening of roads to accommodate pathways, with the primary outcome of the project to be delivery of a pathway • traffic signs, including signage related to the safe and proper use of the pathway • traffic control equipment • street lighting equipment • purchase of materials • labour hire • plant and equipment hire • construction activities • project management costs • labour costs for eligible work • ancillaries directly related to the project, such as insurance costs, as long as they can be broken down into a project specific allocation, such as an hourly or item rate. • direct land acquisition costs, excluding any legal or administrative costs incurred to facilitate the transaction 	<ul style="list-style-type: none"> • end of trip facilities • bike racks (that are not part of permanent pathway) • maintenance/repair costs for an existing asset • approval costs for the project (i.e. planning, environment, cultural, etc) • procurement costs that are not the direct acquisition of a material or service, such as consultant reviews of the competitiveness of tender responses • project costs incurred prior to the funding offer being signed • overhead for your organisation that cannot be broken down into a project specific allocation, such as staff training, office expenses and software subscriptions • legal costs • advertising and media costs, such as costs incurred by publicising the release of a public tender in a newspaper

2.3.3 Specific funding eligibility issues

Temporary pathways

For projects funded by the Active Transport Fund, construction of a temporary pathway that is needed to ensure safety of users while a permanent pathway is upgraded or constructed is eligible for funding, so long as its cost is included as part of the overall project costs for delivering the permanent pathway.

The construction of temporary pathways, including for the purposes of detours or temporary traffic management, for infrastructure projects not funded by the Active Transport Fund, are ineligible.

Pre-construction design costs

The program will provide funding for ‘construction only’ projects and ‘design and construction’ projects, with specific timeframes for delivery for each type of project outlined in 2.4 below.

Design costs are eligible for funding for design and construction projects, up to 10% of the total Australian Government funding under the program.

For construction only projects, design costs are ineligible for funding, except in unexpected circumstances after construction has commenced, and as agreed with the department on a case-by-case basis.

Design only projects are ineligible.

Internal costs

Subject to the NLT Act, costs that are internal to the organisation applying for funding may be included where those costs can be attributed to the project. For example, it is possible to claim the costs of a project manager already employed by an organisation, where the time spent by that person on the project can be identified. The department may require the applicant to provide evidence to substantiate the amount it is claiming.

Internal costs that are ineligible include those not directly related to the project, such as training undertaken by members of the project team.

2.4 Project delivery timeframes

Proponents have 30 calendar days from the date the funding offer is sent out to complete, sign and return it to the department for approval otherwise the offer may be withdrawn.

Note that delivery timeframes cannot commence until a funding offer is approved by the department and the proponent has been advised in writing via email when it is approved.

Delivery milestone	Construction only projects	Design and construction projects
To complete design	Not applicable	Within 12 months of the funding offer being approved
To commence construction	Within 12 months of the funding offer being approved	Within 24 months of the funding offer being approved
To complete construction	Within 36 months of the funding offer being approved	Within 48 months of the funding offer being approved

An acceptable Post Completion Report must be provided within three months of completion of construction for each project.

In the case of unforeseen factors such as adverse weather events, it may be possible to vary the timeframe for a project, up to 31 December 2028 subject to agreement by the department.

All projects must be physically and financially completed by 30 June 2029.

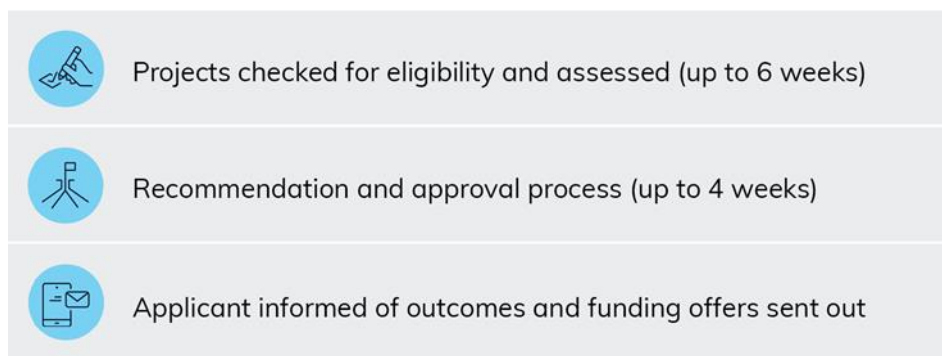
3 Application process

The program is an application-based, merit-assessed funding program.

Applications open 31 October 2024 and close 13 January 2025 at 11:59pm (AEDT).

If funding is not fully allocated, additional tranches may be announced in the future at the discretion of the Australian Government.

The diagram below provides an overview of the process, as well as approximate timeframes for assessment and approval.



When submitting an application, consideration should be given to the assessment and approval timeframes, particularly if seasonal construction periods are applicable to the project.

Scenario: Determining a project commencement date for an application

Michael is putting together an application on behalf of the state government he works for. Considering the approximate 12 weeks needed for the assessment and approval processes, as well as potential weather-related project delays in the colder months of the year, Michael has planned for a project commencement date of 7 April and noted this date in the application form.

3.1 How to apply

Step 1: Check eligibility

Review the eligibility criteria in these guidelines against the proposed project to confirm it satisfies all eligibility criteria prior to submitting an application.

Tips:

- Use the eligibility checklist in the application form.

Step 2: Prepare an application

Download an application form from the [department's website](#) Applications must include:

- A fully completed application form addressing the assessment criteria. All fields in the application form need to be completed correctly to enable the application to be assessed.
- Attachments of all information and documentation that may assist with the assessment of the application. The naming of attachments should align with the content and purpose of the document.
- Mandatory evidence as stated in these guidelines (refer to section 3.2) must accompany the application form.

Note that incomplete or incorrect applications may be deemed ineligible.

Tips:

- When determining project commencement and completion dates, consider timeframes for the assessment and approval of the application as well as any weather-related issues that may affect the commencement of the project, and delivery timeframes.
- Use the prompts in the application form to assist with structuring responses.
- Provide an answer to every relevant field in the application form.

Step 3: Submit the application

All applications must be submitted through the department's online portal unless otherwise advised by the department. The department may refuse to assess an application sent outside the portal.

Tips:

- If there are issues submitting an application on the portal, including attaching mandatory evidence and supporting documentation, email IMSHelp@infrastructure.gov.au for help.
- If the department issues advice that applications can be submitted via email for a specific time period, follow that advice.

3.2 Mandatory attachments

Applications that do not include mandatory attachments cannot be assessed and will be deemed ineligible.

- Evidence must be provided to demonstrate that co-contribution funding for the project has been secured prior to submitting an application. Examples of acceptable co-contribution evidence include official letters and budget papers.
- Applications must include evidence to support how a project addresses one or more Focus Area. Examples of focus area supporting evidence is provided in section 2.2.2 of these guidelines.

3.3 Assessment criteria

All applications must address the first three criteria below and provide evidence to support the responses. The criteria are weighted equally.

Criterion 1: Strategic fit

Outline the rationale for the project, why there is a strong case for action, how it will achieve the stated objectives, and how it meets the needs of the community.

- State which Focus Area(s) the project aligns with and the outcomes the project aims to achieve.
- Clearly explain the case for change, including what the problems and opportunities are, and how the works will address the issue/s.
- Justify why the proposal is the most appropriate response to address the issue/s and opportunities.
- Outline the support for the proposal and buy-in from stakeholders and the community, noting how it responds to their needs.
- Explain how the project directly contributes to relevant national, state, territory and local government goals, objectives, policies and strategic plans.

Criterion 2: Project impact and benefits

Demonstrate the road safety, social, economic and environmental value of the project with supporting evidence-based analysis. This includes direct project benefits as well as benefits during the construction of the project.

- Explain how the proposal will improve road safety for cyclists and/or pedestrians. Outline how the project will reduce road trauma for cyclists and/or pedestrians at locations where they are at greater risk; and/or
- Explain how the project will reduce transport emissions. Outline how the project will encourage the use of active transport options over the use of private vehicle journeys; and/or
- Explain how the proposal will encourage active and liveable communities. Outline how the project will better connect communities, provide health and social benefits, including improving the quality of life for users by encouraging outdoor physical activity, reducing traffic-related air pollution and noise pollution, providing safety and accessibility benefits and/or advancing equity for Indigenous Australians and vulnerable communities; and/or
- Explain how the proposal provides economic benefits, including productivity and efficiency benefits, employment benefits and regional significance benefits.

Criterion 3: Project deliverability

Demonstrate the capability and capacity to deliver the project, including mitigating identified risks.

- Outline the plan to deliver the project by its proposed timeframes.
- Detail the skills, capacity and experience of those being engaged to deliver the project.

- State if the required approvals to deliver the project successfully have been obtained, including development, cultural and environmental approvals. If they have not been granted, outline when they will be sought and expected timeframe for approvals.
- State if land acquisition and/or the relocation of utilities is required, and if consent has been provided. If it has not been provided outline when it will be sought and expected timeframe for consent to be granted.
- Explain the size and adequacy of the project budget, including allowances for contingency.
- Outline the project governance and how it is appropriate for successful delivery of the project.
- Outline the procurement model for the project and how it may contribute to wider outcomes (listed under section 13) as well as deliver value of relevant money.
- Outline project risks and mitigation strategies, including where there may be project delays, cost overruns and/or changes in scope.

3.4 Merit assessment

The department will review all applications against the eligibility criteria, including which focus area it addresses. If eligible, applications will be assessed against the assessment criteria (see section 3.3). The department will consider each application on its merits, based on:

- how well it meets the assessment criteria
- how it compares to other applications
- whether it provides value of relevant money.

When assessing the extent to which the application represents **value of relevant money**, the department will have regard to:

- the overall objective/s to be achieved by the project
- how well the project supports the Focus Area/s and relevant target area
- the extent to which the evidence/information/analysis in the application demonstrates that it will contribute to meeting the outcomes/objectives
- the relevant value of the funding sought

In addition, the department will also consider proper use of relevant money in accordance with the *Public Governance, Performance and Accountability Act 2013*.

The department may contact applicants to clarify information provided in the application, however for probity and to avoid bias, it will not consider new or additional information after the application period has closed.

3.5 Ministerial decision making

Once all applications have been assessed, the department will recommend projects to the Minister or their delegate for approval, taking account of the program budget.

The Minister or their delegate will make the final decision on which projects will receive funding.

3.6 Notification of outcomes

Following the Minister's decision, the department will contact all applicants to advise of the outcome of their application/s.

3.7 Feedback and re-submissions

Applicants with unsuccessful applications will be offered feedback.

The department will not keep a reserve list of projects. Should a future tranche be opened, applicants would need to reapply for funding for a project that was unsuccessful, as costs for projects can change significantly and other factors can shift over time.

4 The Funding Offer

When an application is approved, the proponent will receive a funding offer from the department. The funding offer will contain schedules detailing matters including the project scope, project budget, deliverables, milestones and payment. If any of the details in the funding offer are incorrect, please contact the department to be issued an amended funding offer.

The proponent will need to complete, sign and return the funding offer to the department within 30 calendar days from when the funding offer is sent out. The department will review the completed funding offer and advise in writing via email to the nominated contact/s when it is approved.

Where a proponent does not return the funding offer within the 30-day timeframe specified, the department will contact the proponent, and the funding offer may be withdrawn.

Funding offers with LGA proponents will be shared with their relevant state or territory government agency to assist with the management of project payments (see section 5.3 below).

Construction only projects

Proponents **must not** commence construction without the department's written advice of approval of the signed funding offer. Commencing construction before this time may result in the withdrawal of the funding offer or non-payment for costs incurred.

For this purpose, construction includes all site works, including works required to move utilities, fabrication of major components off-site, and acceptance of any contracts.

Design and construction projects

For design and construction projects, design may commence prior to approval of the funding offer, however only design work undertaken after approval will be eligible for funding.

Following the design stage of a project, if the cost estimate for construction is within the approved project budget, it may continue onto construction. However, if the cost estimate for construction is more than the approved project budget, or if the project scope has changed significantly, the proponent may either:

- Elect for the project to proceed to construction, with the proponent bearing any additional costs above the approved funding amounts.
- Lodge a project variation request within four weeks of the time it became known the project could not be delivered according to the funding offer. The request will be considered by a delegate who holds complete discretion to approve or reject the request.
- Make contact with the department to discuss other options, including withdrawing the project if a contract for construction has not been awarded. If a contract for construction has been awarded the project may still be cancelled, in line with the FFA Schedule Terms 51-56.

In any of these circumstances, the proponent should contact the department within two weeks of the issue being identified, to discuss and agree an approach.

5 Milestone payments

5.1 Default milestone schedule

Large projects (\$200,000 and over)

Projects with \$200,000 or more Australian Government funding will have default milestone payment schedules as per the table below, unless otherwise agreed by the department.

Milestone	Construction only projects	Design and construction projects
Completion of pre-construction design	Not applicable	<u>up to 10%*</u> of Australian Government funding
Commencement of construction	40% of Australian Government funding	40% of Australian Government funding
Completion of construction	40% of Australian Government funding	30% of Australian Government funding
Acceptance of Post Completion Report	20% of Australian Government funding	20% of Australian Government funding

*Only actual design expenditure incurred after approval of the funding offer will be paid. Savings under the design milestone may be used to finance construction overruns if valid evidence for the expenditure is provided.

Scenario: Milestone payment claim for design costs

Vanessa works for an LGA and manages a design and construction project under the program. Her project's milestone payment schedule is as below:

Milestones	Amount payable
Milestone 1: Completion of pre-construction design	Up to \$100,000
Milestone 2: Commencement of construction	\$400,000
Milestone 3: Completion of construction	\$300,000
Milestone 4: Acceptance of Post Completion Report	\$200,000
Total Australian Government Funding	\$1,000,000

Pre-construction design for the project has just been completed with a total cost for design of \$80,000. Although the milestone payment schedule indicates that the department will pay up to \$100,000 for design costs, Vanessa is only able to claim \$80,000 as the actual design expenditure.

There will be \$20,000 savings under the design milestone. For this project, \$900,000 of Australian Government funding has been allocated to construction costs. If construction costs for the project exceeds \$900,000, Vanessa will be able to use the \$20,000 savings under the design milestone against the construction milestone payments, if valid evidence for the expenditure is provided.

Small projects (less than \$200,000)

By default, smaller projects with less than \$200,000 in Australian Government funding will have a single financial milestone, payable on completion of the project and presentation of an acceptable Post Completion Report, unless otherwise agreed with the department.

5.2 Achievement of milestones

Payment will be made on the basis of achievement of milestones according to the milestone payment schedule in the funding offer. All Australian Government funding is Goods and Services Tax (GST) exempt.

Milestone claim forms must be submitted for each payment using the department's Milestone Claim Form on the [department's website](#). Proponents must provide evidence to support the claim that the milestone has been achieved for payment to be made. The department has the discretion to accept or reject the evidence provided, or update the requirements for evidence.

In order to reduce reporting requirements, proponents may wish to consider aligning milestones with the quarterly reporting timeframes of February, May, August and November.

The Post Completion Report template is also available on the [department's website](#).

The table below provides a guide to the evidence required for each milestone, to be submitted with the Milestone Claim Form.

Milestone	Required mandatory evidence
Completion of pre-construction design	<ul style="list-style-type: none"> Evidence of the completion of design (e.g. samples of design drawings). Provision of an invoice or expenditure report on design costs.
Commencement of construction	<ul style="list-style-type: none"> Photographic evidence of installed signage (see section 12) Evidence that work has advanced towards construction, such as commencing earthworks or delivery of machinery on site, including photographic evidence. <p><i>To note:</i></p> <ul style="list-style-type: none"> <i>The clearing of debris on site cannot count as commencement of construction.</i> <i>If pre-fabricated components have been ordered, the department may consider a partial milestone payment. The department can only pay the entire commencement milestone when construction has commenced on site.</i> <i>Photographs that show the anticipation of work commencement is not sufficient proof that work has commenced.</i>
Completion of construction	<ul style="list-style-type: none"> Photographic evidence showing the site before works commenced, and after the project has been completed. Documentation to support completion i.e. letter from contractor notifying of completion, or final invoice etc. <p><i>To note: Consistent with the signage guidelines (refer to section 12), signage must be displayed for the duration of the construction period.</i></p>
Acceptance of Post Completion Report	<ul style="list-style-type: none"> A completed Post Completion Report Provision of an expenditure report for the project

5.3 Payment of milestones to LGAs are made indirectly via relevant State or Territory

The Active Transport Fund is administered under the NLT Act and FFA and FFA Schedule on Land Transport Infrastructure Projects (FFA Schedule).

Paragraph D13 of Schedule D of the Intergovernmental Agreement on Federal Financial Relations says:

Where a payment to a State or Territory includes a nominated amount in respect of a third party — for example, non-government schools and local governments — that State or Territory will on-forward that payment to the third party in a timely manner.

Accordingly, where a proponent is an LGA, payments will be made to the relevant state/territory government agency, who will then make payments to the relevant LGA. The state/territory

government agency may have additional requirements of the LGA before funds can be paid, such as the provision of an invoice. Payment arrangements must be made directly between the LGA and state/territory government agency.

6 Funding amount/percentage of Australian Government funding

The funding amount for the project is set out in the funding offer. This is a maximum amount of Australian Government funding and can only be increased through an approved project variation request (see section 9), to a maximum of \$5 million per project. All funding amounts and claims for payment are GST exclusive and paid in whole dollar amounts only.

Increases in Australian Government funding must be approved by the Minister or their delegate.

The percentage of Australian Government funding for each project is set out in the funding offer. It can be reduced or maintained through an approved project variation request where funding changes, however the percentage cannot be increased. See section 2.3 for the maximum percentages of Australian Government funding for projects.

6.1 Projects over budget

Notwithstanding exceptional circumstances which may give rise to project variations (see section 9), all costs over the original project budget are the responsibility of the proponent. Where a project goes over budget, additional funds from the Australian Government will be at the Minister's or their delegate's discretion and must be sought through a project variation request.

6.2 Projects under budget

In the event an approved project is completed under the original budget, the savings must be shared proportionally between the Australian Government and the proponent in accordance with the funding percentages set out in the funding offer. As a result, projects completed under budget will not receive the maximum amount of Australian Government funding amount outlined in the funding offer.

Proponents cannot use the Australian Government component of cost savings towards other projects.

The following scenario provides an example of how project savings are managed.

Scenario

An LGA proponent has a project in an urban location with a total project cost of \$1,000,000.

The approved Australian Government funding in their funding offer is \$500,000, or 50% of total project costs. The remaining project costs are borne by the proponent and state government partner.

At the completion of the project, it has been delivered under budget at a total project cost of \$800,000.

Based on the 50:50 funding split in the funding offer, the savings of \$200,000 are split equally between the Australian Government and the proponent so that the Australian Government funding would be reduced to \$400,000 (or 50% of total project costs). The proponent and any other funding contributors would fund the remaining project costs of \$400,000 (or 50% of total project costs).

7 Project costs

Examples of costs which are likely to be eligible and ineligible project costs under the [NLT Act](#) are listed in section 2.4. If a proponent requires advice about the eligibility of project costs, they can contact the department (see section 16). The application form includes a proposed budget including a breakdown of costs which should be developed using a rigorous cost estimation process to avoid cost overruns. The department has recommended a range of contingency amounts that is based on current construction trends. The proponent is required to provide a rationale for the contingency amount selected in the application form and may be asked for further details on how the estimate was developed during the assessment process.

7.1 Financial records

Proponents must keep financial records for each project and be able to accurately report on costs. Proponents will be asked to provide a copy of the expenditure report, including the dates the expenses were incurred for each project, to substantiate the final payment for the project.

7.2 Acquittal of project funds

As part of the Post Completion Report requirements, the department will require an acquittal of costs incurred and funding used against the cost estimates submitted with the original application and any subsequent approved variations. The final acquittal should include where contingency has been used and an explanation of why it was required.

8 Reporting and evaluation

Proponents have obligations to report on the status of their projects as outlined below.

8.1 Quarterly reporting

Proponents are required to provide quarterly reports in February, May, August and November on the status of their project(s), including information on project progress, timelines (including if milestones are still on track), risks and finances (including if it is anticipated a project will have cost overruns or savings). State and Territory governments must report using the department's Reporting Form, which can be downloaded through the department's online portal.

LGA proponents must report through their relevant State or Territory government, using the department's Reporting Form which can be downloaded from the [department's website](#).

8.2 Ad-hoc reporting

If there is material change to projects outside of the quarterly reporting period, proponents must inform the department as soon as practicable (see section 16).

Examples of incidents that require ad-hoc reporting to the department include:

- Change of senior personnel on the project, such as the project manager.
- Change to the funding sources for the project, such as the granting of further funding from other sources or changes to the co-contributor.
- Changes to the scope, timeframe, or cost of the project (both increases and decreases). These changes must be approved by the department before being delivered.
- Issues that are likely to impact the delivery of the project (e.g. extreme weather, natural disasters or unforeseen project management issues).
- Events to be held in relation to the project or communications to be issued about the project (see section 11).

If a proponent is unsure whether it needs to do an ad-hoc report for its project, it should contact the department.

8.3 Evaluation

Evaluation of the outcomes of the program may be undertaken from time to time and proponents may be required to provide additional information for evaluation. Where possible, the department will use data already available to the department.

9 Project variations

The department recognises that unexpected events may affect delivery of the project. In these circumstances, the proponent must submit a project variation request, including:

- changing the project name
- changing the project scope, including increasing, decreasing and re-scoping
- extending project delivery timeframes

- changing project budget, including any changes to Australian Government funding and co-funding contributions

Project variations must be requested through the department's Project Variation Form which can be downloaded from the [department's website](#).

Project variations must be sought as soon as practicable and within four weeks of the time that the proponent becomes aware of any changes to the approved project, and prior to the completion of the construction of the project. After the construction of a project has been completed, the department will only consider project variation requests with valid reasons, on a case by case basis.

Where there are cost overruns on a project, the proponent must investigate other options to meet the cost increase for the project before seeking a funding increase from the department.

Increases to Australian Government funding under the program will only be considered:

- if regular, accurate reporting has been maintained;
- where the increase is the result of an exceptional, unforeseen circumstance that is outside the control of the funding recipient; and
- upon formal request in writing to the department.

Project variations must be approved prior to any change in work. Proponents should not assume that a variation request will be successful. Regular reporting and engagement with the department must be maintained through the project's life to be eligible for variations. The Minister or their delegate has complete discretion to approve or reject requests, noting the project must always represent good value for money.

Where a request for a project variation is rejected, the proponent will need to contact the department to discuss options to deliver the project, including re-scoping the project or consideration of withdrawal or cancellation of the project.

Where any change would necessitate a project variation but the proponent fails to request a project variation or if the department rejects a project variation then funding for the project may be withdrawn. Australian Government funds from completed, withdrawn or cancelled projects cannot be redirected to other approved projects.

10 Withdrawal and Cancellation of projects

Proponents may request to withdraw a project using the department's Project Withdrawal Form which can be downloaded from the [department's website](#). The department may request the withdrawal or cancellation of a project under specific circumstances.

The department considers the term *withdrawal* to refer to a project which has had no Australian Government funding paid towards it. Conversely, the department considers the term *cancellation* to refer to a project where Australian Government funding has been paid.

In circumstances where funding has been paid towards a project, the department will work with the proponent to understand the circumstances of the project and review the eligibility of the costs incurred on a case by case basis. This will include an assessment of milestone payments that have been made, with consideration given to whether reimbursement of Australian Government funding already paid may be required.

The maximum amount the Australian Government will contribute is the amount of the funds already paid or the percentage of the expenditure already incurred, whichever is the lower amount.

Withdrawn or cancelled projects may be a factor in the assessment of future project applications from relevant proponents.

11 Events, announcements, promotions and publicity

If a proponent proposes to hold a works commencement ceremony, opening ceremony, or any other event in relation to the project they must inform the department at least four weeks before the proposed event is to be held. Details of the proposed event should be sent to events@infrastructure.gov.au, and they will liaise with the appropriate Australian Government official on the proponent's behalf. If requested by the department or Australian Government representative, proponents are expected to arrange a joint event.

Any public statement about the project is expected to acknowledge Australian Government funding, and must be cleared by the department prior to use. A draft should be provided to media@infrastructure.gov.au at least five days prior to its proposed release.

If a proponent proposes to issue any other communications, displays, publications or advertising relating to the project, they should acknowledge and give appropriate recognition to the contribution of the Australian Government. A draft should be provided to events@infrastructure.gov.au at least five days prior to its proposed release.

12 Signage requirements

Proponents must install Australian Government signage prior to the commencement of construction of a project in accordance with the [Signage Guidelines](#) available on the department's website. Proponents are required to submit final proofs of signs and plaques to events@infrastructure.gov.au for clearance prior to production and installation. Proponents should ensure their manufacturing timetable deadlines include sufficient time for comment and approvals from the department (five working days may be required).

13 Procurement

In undertaking projects funded under this program, proponents must comply with the rules and guidelines in their state or territory for the expenditure of public money and the procurement of good and services.

Additionally, all goods and services for the project must be procured through a competitive process unless either their value does not exceed \$100,000 (including GST) or the proponent obtains an exemption from the department.

Consistent with procurement requirements outlined in the FFA Schedule, taking into account the opportunities and market capabilities in their respective jurisdictions, proponents should optimise

procurement practices to enable the wider outcomes listed below and deliver value of relevant money:

- a) An uplift in socioeconomic outcomes for First Nations people and businesses and First Nations cultural heritage protection, in line with Closing the Gap and consistent with the revised First Nations policy framework to be developed and agreed by all jurisdictions by the end of 2024;
- b) A reduction in embodied carbon in transport infrastructure in line with Australia's Net Zero commitments;
- c) An increase in women's participation at all levels of the construction industry;
- d) Optimising recycled content in transport infrastructure to support Australia's transition to a circular economy by 2030;
- e) Optimising opportunities for Australian and local businesses and industry; and
- f) Optimising opportunities for trainees and apprentices, including Australian Skills Guarantee targets, to ensure a pipeline of skilled workers.

14 Construction Standards

All construction must comply with relevant standards in place at the time of construction, including construction standards, building codes and work, health and safety requirements.

15 Administration

15.1 Amendment of the Guidelines

The Australian Government may amend these Guidelines from time to time. Proponents must comply with updated Guidelines from the time they are published. Updates will be communicated and published via the [department's website](#).

15.2 Confidentiality

Information from applications may be used for reporting purposes. In addition, the details of funded projects, including the project name, project scope, funding recipient and project costs, will be made publicly available on the department's website.

Applicants should identify any information which they are proposing to submit which they wish to be considered as confidential, supported by reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat information as confidential. The *Privacy Act 1988* applies to the handling of personal information about individuals obtained in the course of the delivery of the program.

Information received (including confidential and personal information) may be disclosed by the Commonwealth as permitted or required by law, or in response to a request from a Commonwealth Minister, or from a Committee or a House of the Parliament of the Commonwealth of Australia.

15.3 Probity

It is important that the Australian Government avoids bias and the perception of bias and other probity issues in the operation of this program.

Any information which may have a material impact on the decision to approve an application must be disclosed in the application. This includes any actual or perceived conflicts of interest.

Failing to declare relevant information or making a false declaration on the application may make it ineligible.

16 Enquiries about the program

For all enquiries related to the program, please contact the department by email:

ActiveTransportFund@infrastructure.gov.au

17 Glossary

Term	Definition
Applicant	The Local Government Authority, state or territory government agency that submits the application. Applications with multiple co-funding partners must have a single applicant that submits the application.
Application	A completed application form, and associated documents, requesting funding under the program. Once approved, applications become projects.
Australian Government funding	The Australian Government funding amount and percentage committed to a project under the program.
Bridge	For the purposes of this program, a bridge may be either a road bridge or a culvert. A road bridge is a structure that is designed to carry a road across an obstacle by spanning it. A culvert is a structure designed to allow the passage of water under a road. A key engineering difference between a bridge and a culvert is that a bridge does not have a structural floor whereas a culvert does. (Definition taken from Austroads Engineering Guidelines to Bridge Asset Management – Guideline AP-G94-21)
Commencement Date	The expected start date for the project activity.
Completion Date	The expected end date for the project activity.
Conflict of Interest	The exercise of a power or making of a decision by a person in a way that may be, or may be perceived to be, influenced by either a material personal interest (whether financial or non-financial) or a material personal association
Design	The plans, specifications and other related materials which together provide the instructions for construction of the project.
Eligible applications	An application or proposal for funding under the program that meets the eligibility requirements in accordance with these guidelines.
Focus Area	One of the focus areas defined in Para 2.2.2
Infrastructure	Physical structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a community
LGA	Local Government Authority
Pathway	A publicly owned road-based asset which is accessible to the public. (a) a path for the use of pedestrians; (b) a path for the use of persons using any form of transport
Road	Subsection 4(1) of the <i>National Land Transport Act 2014</i> Road: (a) Subject to paragraph (b), includes any of the following associated with a road: (i) traffic signs; (ii) traffic control equipment; (iii) street lighting equipment; (iv) a bridge or tunnel, including a bridge or tunnel for the use of pedestrians; (v) a path for the use of persons riding bicycles;

Term	Definition
	<p>(va) a facility off the road used by heavy vehicles in connection with travel on the road (for example, a rest area or weigh station);</p> <p>(vi) any other thing that is specified in the regulations for the purposes of this definition</p> <p>(b) when used in Part 8:</p> <p>(i) also includes a vehicular ferry associated with a road; but</p> <p>(ii) does not include the other things specified in the regulations referred to in subparagraph (a) (vi)</p> <p>For the purposes of the definition of road in subsection 4(1) of the <i>National Land Transport Act 2014</i>, the following things are specified to the extent they are not otherwise a road:</p> <p>(a) a path for the use of pedestrians;</p> <p>(b) a path for the use of persons using any form of transport;</p> <p>(c) a bus stop;</p> <p>(d) a bus station or interchange;</p> <p>(e) a facility for passengers to enter or exit road vehicles;</p> <p>(f) a facility for the transfer of cargo or passengers from one road vehicle to another;</p> <p>(g) a car park;</p> <p>(h) a facility off the road used by road vehicles (for example, a rest area);</p> <p>(i) amenities for the use of persons who travel on a road (for example, shelter, toilets, seating, waste receptacles, drinking-water facilities and eating facilities);</p> <p>(j) a facility for the care or management of livestock travelling on a road;</p> <p>(k) a facility for charging electric or hydrogen fuel cell road vehicles;</p> <p>(l) technology relating to road transport.</p>
State and Territory Governments	<p>State and Territory Governments are the:</p> <ul style="list-style-type: none"> • Australian Capital Territory Government • New South Wales Government • Northern Territory Government • Queensland Government • South Australia Government • Tasmanian Government • Victorian Government • Western Australia Government
The department	<p>The Department of State of the Commonwealth administered by the Minister (currently the Department of Infrastructure, Transport, Regional Development, Communications and the Arts).</p>
The Minister	<p>The Minister of State of the Commonwealth who administers the <i>National Land Transport Act 2014</i></p>
The program	<p>The Active Transport Fund</p>

Term	Definition
The Proponent	The Local Government Authority, state or territory government agency delivering the project
Value of relevant money	Value of relevant money is a judgement based on the application representing an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations.