



Department of  
**Primary Industries and  
Regional Development**

**NORTHERN GOLDFIELDS  
DIGITAL CONNECTIVITY GRANT PROGRAM**

**PROGRAM GUIDELINES**

August 2021

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**IMPORTANT NOTE:** All applications for this grant program must be submitted via the WA Government's "*Northern Goldfields Digital Enhancement Connectivity Program*" SmartyGrants application platform. Hard copy applications or emailed applications will not be accepted.

## 1. Definitions

**ACMA** means the Australian Media and Communications Authority

**Department** means the Department of Primary Industries and Regional Development.

**Northern Goldfields Region** means the geographic region in and around the towns of Menzies, Leonora and Laverton. There is no specific limitation on how far from the towns the proposed services can deliver services to.

**Minister** means the Government of Western Australia's Minister for Regional Development; Agriculture and Food.

**Network** means the network infrastructure and related support systems that will be built as part of a Project.

**Operator** means the entity or consortium which will be managing and operating the network infrastructure and related support systems after it has been built as part of a Project.

**Project** means a Proposal that has been submitted for co-funding under this Program. It includes network infrastructure and related support systems that will be developed by its Proponent.

**Program** means the Northern Goldfields Digital Connectivity Enhancement Program.

**Proponent** means the entity or consortium that has submitted a Proposal to the State for co-funding consideration under this Program.

**Proposal** means all documentation submitted by a Proponent to the State for co-funding consideration under this Program. The documentation includes network infrastructure and related support systems that could be co-funded by the State.

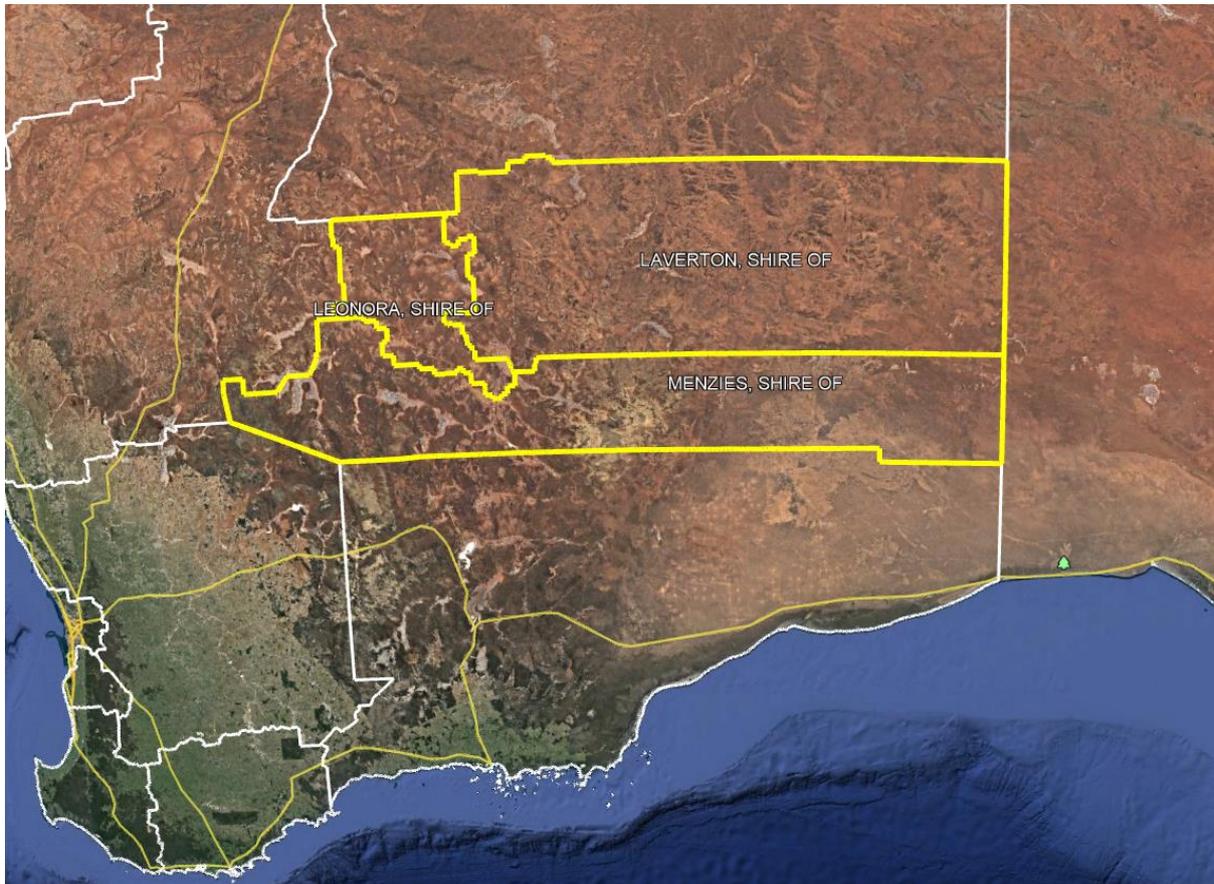
**State** means the Government of Western Australia.

## 2. Background

On 3 February 2021, the Minister announced an allocation of \$1 million to deliver fast, reliable, scalable and affordable broadband to pastoralists, local businesses and communities within the Leonora, Laverton and the Menzies Shires.

Submissions are encouraged from both land-based and satellite technology telecommunications companies, including providers of emerging digital connectivity options.

The State is now seeking Proposals from industry for the provision of fit-for-purpose digital connectivity services aimed at providing enhanced enterprise-grade services to these communities.



While significant advances have been made in connecting communities in regional areas through rollout of the National Broadband Network (NBN), State and Commonwealth investments to expand mobile coverage, many regions of low population density are still reliant on sub-optimal satellite connectivity solutions or ADSL copper-based services for access to broadband.

The absence of suitable telecommunications infrastructure significantly inhibits the adoption of technology and diminishes business competitiveness. The key constraints are:

- poor viability of market-driven offerings with low population density;
- limited or no mobile coverage; and
- the high cost of establishing alternative connectivity in regional areas.

### 3. Program Overview

The Program is a State Government initiative under the State Agricultural Telecommunications Infrastructure Improvement Funds, administered by the Department. The objective of the Program is to improve connectivity for businesses and communities within the Menzies, Leonora and Laverton Shires of Western Australia to support the widespread adoption of digital technologies which will improve the commercial competitiveness and enhance liveability across the region.

Proposed solutions could include:

- Delivery of enterprise-grade broadband services to areas where this level of service does not already exist. Terrestrial cables, Fixed Wireless, Mobile services, Satellite or any other innovative delivery channel would be considered.
- Systems integration of third-party infrastructure to deliver a fit-for-purpose connectivity application(s) for the region that is currently not available or not otherwise already proposed.

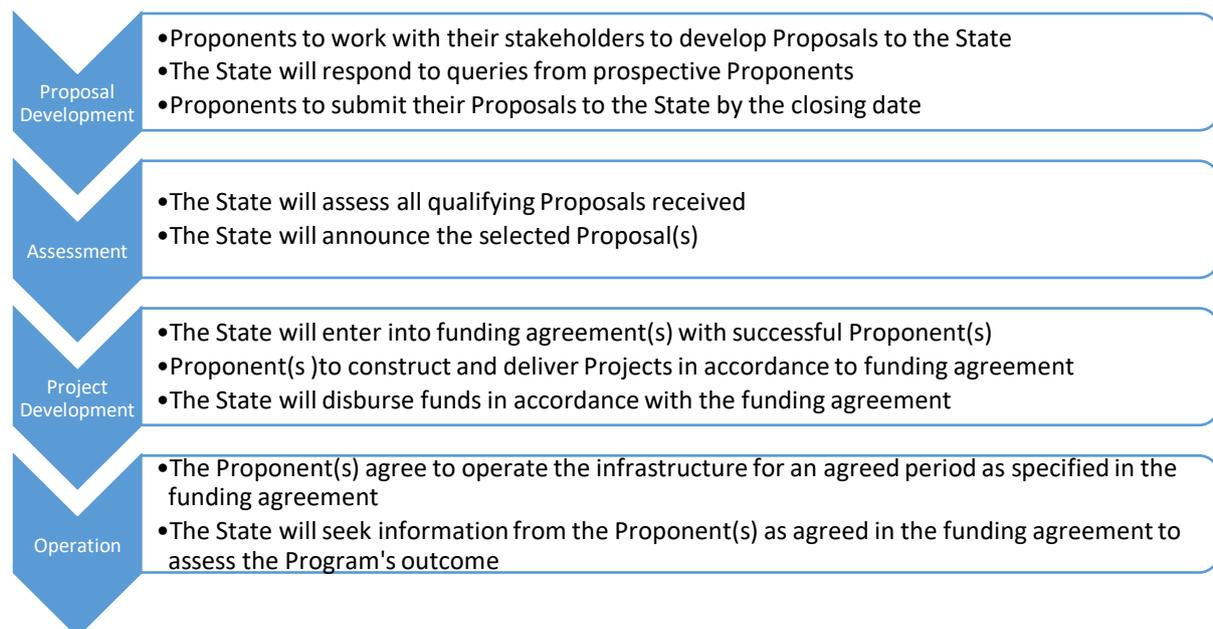
The State may choose to allocate all funding (\$1 million) to one application, or divide the funding amongst multiple applications, depending upon the utility of the proposed Projects.

Proponents are permitted to submit multiple Proposals under the Program.

### 4. Program Stages

The Program will be delivered in four stages.

From the Proponent's perspective, the four stages will progress in the following manner:



An Independent Assessment Panel (**Panel**) will evaluate all Proposals against eligibility and assessable criteria detailed in **Section 8**.

Failure to demonstrate against any eligibility criteria will result in its disqualification and thus its progression to the Assessment Stage.

## **5. Program Funding**

### **5.1. What the State will fund**

State funding under the Program will be available for capital costs of improving connectivity to multiple enterprises and other potential stakeholders over a wide area nominated by the Proponent. Capital costs may include infrastructure, engineering design, site acquisition, power connection, construction, equipment, regulatory approval costs and related one-off expenses, including costs for labour.

Acceptable Proposals can be either Retail offerings (targeted at end users) or Wholesale offerings (targeted at Retail Service Providers).

### **5.2. What the State will not fund**

- Operation and maintenance of network infrastructure, or any ongoing costs
- Feasibility studies, cost benefit analyses, impact studies, marketing plans, research or compliance costs
- Staff-related expenses
- Any costs incurred in preparing an application for funding under the Program or providing additional information sought by the assessment panel
- Retrospective funding, where projects have been completed or commenced construction prior to receiving notice of successful funding under this Program.

### **5.3. Proponent contribution**

A financial commitment of fifty per cent (50%) of the total project cost from the Proponent and any third-party contributors is preferred. Acknowledging the remoteness of the area and its low population density over a large region, the State will consider less than a 50% contribution from the Proponent if there is a compelling case that a contribution of 50% would make the proposed project financially unviable.

### **5.4. Third party co-contributions**

To increase the reach of the Program, Proponents are encouraged to seek co-contributions from third parties such as the Commonwealth Government, fire and emergency services, local governments, industry alliances, businesses or other industry representative bodies. Third party co-contributions may be financial or in-kind, or a combination of both.

Examples of in-kind contributions could include identifying a suitable site for infrastructure placement, civil works required to access a site, assistance with

connecting power, site sharing on existing infrastructure (e.g. emergency services towers) or facilitating access to existing infrastructure.

Where a value is assigned to an in-kind co-contribution, details of the methodology used to determine that value must be provided in the funding application for assessment.

The Proponent is responsible for securing all commitments from third parties. For funded solutions that include third party co-contributions, the Proponent is liable to cover any shortfall should a third-party co-contribution fail to eventuate.

Proponents may also seek to leverage third-party funds from the Commonwealth or other funding programs where possible, however for proposals that are successful in the State's assessment process, payment of the grant will be contingent on confirmation of all other funding being awarded. If the application to another program is unsuccessful, the State's grant approval will be withdrawn.

The Department may independently verify Proponent Proposal cost claims as part of its due diligence. As such, please note that the Department may contact third parties detailed in the Proposal. Any claim made by the Proponent with respect to experience, credentials, qualifications, or other selection criteria which subsequently is determined to be false during the Department's due diligence process will result in the Proposal being disqualified.

## **6. Project Development**

The Department may be able to provide an information service that could assist your Project development activities during the application period. This may include information on support groups of a local area, and potentially provide access to telecommunication infrastructure and/or its supporting infrastructures in your chosen project area through information collected from its [State Telecommunication Infrastructure Audit](#) and made available to the public via the [State Telecommunications Infrastructure Atlas](#).

A Proponent's decision to engage the Department on this service (or otherwise) will have no bearing on its eligibility or assessment of its proposal.

Early engagement is recommended for Proponents wishing to access this assistance.

## **7. Project duration**

Projects must be ready to commence within 12 weeks of executing the grant agreement and be completed within 24 months from the date of execution.

## 8. Eligibility Criteria

Proposals must satisfy all eligibility criteria in order to qualify for funding.

<b>Criteria</b>	<b>Details</b>
<i>Service Delivery Area</i>	E1.1 Proposals must address areas located in the <a href="#">Goldfields-Esperance region</a> of WA as defined in the <a href="#">Regional Development Commissions Act 1993 (WA) Schedule 1</a> . Proposals should deliver services in <a href="#">Leonora, Laverton and the Menzies districts</a> .
<i>Co-investment</i>	E2.1 The Program requires co-contributions from Proponents. However, a Proponent's co-contribution ratio can be reduced. Please see <b>Section 5.3</b> .
<i>Licence</i>	E3.1 The Proponent must hold a valid <a href="#">Carrier Licence</a> under the <a href="#">Telecommunications Act 1997 (Commonwealth)</a> , and thereby be authorised by ACMA to provide carriage services to the public. (Note: this condition is <i>not</i> satisfied by a <i>Nominated Carrier Declaration</i> )

For your proposal to be considered, it must meet these eligibility criteria at a minimum. If any of these criteria are not met, your proposal will not be considered

## 9. Your submission

The Proponent must provide a detailed description of the design, processes, the internal and external expertise to be employed to ensure the Network is reliable, affordable and viable over the intended asset lifecycle—and how the Proponent will ensure that the network performs to the claimed specifications.

For each Network architecture, the Proponent must detail and provide schematic block diagrams explaining the technical designs of the proposed Network, including proposed manufacturer(s) of the key equipment, spectrum utilised (e.g. 5.8GHz Class Licensed; 11GHz licensed, etc.), access to sufficient spectrum, if licensed, and any other information which is integral to an understanding of the network, including backhaul arrangements.

The Proponent must provide a clear description of any interconnect requirements, including wholesale interconnect points and backhaul requirements. Proponents must complete and include the Backhaul Arrangements form as part of their application.

The State may conduct independent performance tests to verify performance claims made by Proponents. Networks found not to comply with claimed specifications will be required to be brought into specification by the Proponent.

### ***Service specifications of the Proposal***

Proponents must detail the quality (e.g., download and upload speeds and reliability), number of expected Network connections (e.g. residential, business, enterprise, government and wholesale) and estimated retail cost of service/s available to customers for each plan type (including retail price per plan).

If Proponents are seeking funding to offset customer premise equipment connection fees, additional information must be provided. The Proposal must substantiate the claimed financial barriers and demonstrate how the cost of connection fees would prevent customers from subscribing to the proposed services.

The Proponent must detail the Network's access arrangements to demonstrate how the proposed network will interoperate with other public networks.

The Proponent must detail the Network's security arrangements to achieve, maintain and consistently satisfy physical infrastructure and data security requirements and standards.

Network coverage map of the proposed services must be provided in soft copy and in Google Earth KML or KMZ formats which describes the components of the proposed solution, along with approximate locations and coverage of towers or other Network access points.

### ***Proponents must include the following in their applications***

- Total coverage (in square kilometres);
- Number of individual enterprises/premises covered by the Proposal and how this was determined;
- Amount of State grant requested; and
- Information on the commercial viability and profitability of the proposed Network. At a minimum, proponents must include the following financial sustainability components as part of the application:
  1. Cash Flow Statement – three-year cash flow;
  2. Capital and Project Expenditure; and
  3. Plans and Uptakes for the Proposed Network.

Examples are provided in the *SmartyGrants* application.

Should the submitted business cases not show profitability after three years, the proponent must provide a statement committing to subsidise the network for the term of the agreement to ensure that the network will remain operational and available for customers to connect to the network.

Inclusion of Letters of Support from stakeholders, local governments or partners is strongly encouraged.

## 10. Closing date

The closing date for submission of Proposals is **29 October 2021 at 5.00pm (AWST)**. Proposals will not be accepted beyond the closing date. Proponents should plan accordingly prior to application submission to ensure that sufficient time is allocated to ensure that the entire proposal is submitted to the Department prior to the closing time. Applications can only be submitted via the [“Northern Goldfields Digital Enhancement Connectivity Program”](#) SmartyGrants portal. Physical, printed submissions will not be accepted.

## 11. Assessment

Proposals appraised to have met all eligibility criteria outlined in **Section 8** will be assessed based on their ongoing sustainability as an operational commercial entity that best addresses the needs in the target areas.

The following factors will be considered:

- Technical and service specifications of the proposed solution, relative to other submissions
- Terrain constraints (if any)
- Quality and cost of service/s available to end users
- Cost to the end user to connect to the proposed network (for example, the cost to the end user of customer premise equipment)
- Number of individual enterprises/premises within the addressable market
- Growth potential, planned improvements and ongoing financial viability of the service
- Relative value compared to other proposals received

More favourable consideration will be given to projects that:

- Require a State co-contribution of less than fifty per cent
- Partner with, or demonstrate support from, key stakeholders such as local government, grower groups, businesses or industry representative bodies
- Maximise local content over the duration of the project
- Demonstrate broad social and economic benefits for the wider community.

Applications will be assessed by an independent Panel that will consider the relative merits of each proposal and submit recommendations for funding to the Minister for approval. The Panel may, at its absolute discretion, request additional information to assist its evaluation of an application.

Unsuccessful Proponents will be able to seek feedback from the Department on their application, however, decisions of the Minister are final and cannot be appealed.

## 12. Conditions and obligations

### ***Financial Assistance Agreement***

The Proponent will be required to enter into a **Financial Assistance Agreement (FAA)** with the Department to deliver the project.

Proponents are required to demonstrate progress in delivering their Projects in return for the State's gradual disbursement of grants, based on the achievement of agreed Milestones. Where the Department considers it appropriate, a phased approach may be adopted for payment of the grant based on agreed milestones. Payment milestones will be negotiated with successful Proponents.

If the Proposal includes co-contribution from third parties, the State's contribution will also be contingent on confirmation of all other funding being secured.

The State also reserves the right to review, vary or withdraw its approval should any proposed third-party co-contribution not proceed.

The FAA will include obligations in relation to reporting, acquittal and audit requirements.

A copy of a standard FAA is available [at this link](#) which should be used as a reference to the terms and conditions under which the State is prepared to contract with the successful Proponent. The Department's standard policy is that the **Operative Part of the FAA is NOT TO BE AMENDED**, as its subsequent schedules are sufficient to reflect relevant details of the Project without necessitating changes to existing provisions.

The FAA must be signed by both the Proponent and the State before the funded activities of the Project commence and grant funds become available.

If the FAA cannot be successfully negotiated and agreed between the parties within a reasonable period of time, the Department may, in its absolute discretion, withdraw from negotiations.

For the avoidance of doubt, no legal obligation of any kind will be owed to the Proponent, nor will the Department be liable for any direct or indirect loss suffered by the Proponent as a consequence of a decision to withdraw.

## 13. Approvals, Permits and Regulations

The Proponent will be responsible for acquiring relevant approvals and complying with all legislative and regulatory requirements while developing the Project or operating the Network.

The Department is unable to provide advice or recommendations other than for legislations under its administration. Please refer to the Department's Annual Report 2019 for this list.

## 14. The Operation Stage

Successful Proponents will be required to manage, operate and maintain all infrastructure and equipment procured, constructed and installed for the benefit of businesses and premises as proposed at their cost for a period of Five (5) years. Equipment funded under this grant is not to be employed to connect or service customers outside the approved Program coverage areas.

## 15. Statistics

Successful Proponents will be asked to provide information at intervals of six, 12, 18 and 24 months after completion of the funded solution on metrics such as the number of connections, data throughput and average contention rates to inform the Department's evaluation and review processes.

## 16. Freedom of Information Act

The Department is subject to the Western Australian Freedom of Information Act, which provides a general right of access to records held by State Government agencies and local government authorities. Funding recipients should be aware that general information relating to grants will be tabled in the Western Australian Parliament and could lead to requests for more detail to be released publicly.

## 17. Contact for inquiries

**To obtain the link to the *Smarty Grants* application for this project, or, if you have any further questions regarding the program, please contact:**

- Mr. Robert Smallwood - mobile: 0428 210 710.

All enquiries can be emailed to: [AgTech@dpird.wa.gov.au](mailto:AgTech@dpird.wa.gov.au)

## 18. How to apply

Applications must be submitted via the WA Government's "[\*Northern Goldfields Digital Enhancement Connectivity Program\*](#)" SmartyGrants portal.

## 19. Closing date

**5:00pm AWST on 29 October 2021**

## 20. Disclaimer

Proponents must rely on their own investigations and satisfy themselves in relation to all aspects of the Program and all risks, contingencies and other circumstances having an effect on its Proposal.

The Department and its respective employees, officers and advisers are not liable for any incorrect or misleading information or failure to disclose information whether in

connection with this document, any document attached or related to it or any other information provided to Proponents at any stage of the Proposal development, assessment and negotiation process.

The Program and this document (including any document attached or related to it) may be subject to review or change at any time without notice.

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