

ECONOMIC DEVELOPMENT GRANT PROGRAM

Funding to investigate or establish new industries, products and services that address market gaps and diversify the City's economy.

Funding available: There is no fixed minimum or maximum Grant amount. Each request is considered on its merits and must be supported by Matched Funding equal to or greater than the amount requested from the City. Funding is subject to available budget and Council approval.

1. Overview

1.1. Purpose

The City of Karratha's Economic Development Grant Program (EDG) supports Eligible Entities to investigate or establish new industries, products and services that are not currently available within the City. The Program is intended to support innovation, address identified market gaps, increase localisation and generate measurable economic diversification and productivity benefits.

For EDG, innovation means developing, testing or adapting a new idea, technology, process, business model, product or service that is not currently available within the local market. This may include feasibility studies, proof of concept activities, addressing regulatory barriers or adapting solutions to the City's operating environment. Innovation may also increase localisation by enabling goods, services or capabilities currently sourced from outside the City to be provided locally.

A new business may be supported where its proposed product, service or operation is not already available locally. An existing business may be supported where it proposes to introduce a genuinely new product, service or operation into the local market. EDG does not fund ordinary business growth or business as usual.

This Funding Guideline operates with the City's Grant & Sponsorship Policy and the EDG Operational Policy. If there is any inconsistency, the Grant & Sponsorship Policy takes precedence, followed by the EDG Operational Policy.

1.2. Program Objectives

EDG aims to:

- identify and address gaps in local markets, industries, supply chains and value chains;
- support research, value chain assessment, feasibility assessment, business planning, proof of concept and work required to address regulatory or market barriers;
- enable a new or existing business to establish a new industry, product or service that is not currently available within the City;
- support innovation and increased business productivity that contributes to a more diverse and resilient local economy;
- diversify local job and career opportunities by enabling new industries and economic activities;
- support industry wide skills initiatives that respond to an identified industry need; and

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- contribute to the Council Plan 2025 to 2035 and the Economic Development and Tourism Strategy 2025 to 2035.

2. Definitions

Acquittal means the process by which a Grant recipient demonstrates that City funds have been used for the approved purpose, including required reports, evidence of expenditure and outcomes achieved.

Applicant means the party that makes an application, including any person who represents or acts on behalf of the Applicant.

City means the City of Karratha.

Council Plan means the City of Karratha's Council Plan 2025 to 2035, which sets out the City's long-term vision and strategic priorities.

EDG means the City's Economic Development Grant Program.

Eligible Entity means an individual or organisation that meets the eligibility requirements in this Funding Guideline and proposes a project that provides measurable economic diversification or productivity benefit within the City.

Funding Agreement means the written agreement between the City and the Recipient that sets out the terms and conditions of funding.

Grant means financial assistance provided by the City to an Eligible Entity to deliver an approved project, program or activity that contributes to the City's strategic objectives.

Matched Funding means the Recipient's required financial contribution to an approved project on a dollar for dollar basis with the City's contribution.

Recipient means an Applicant approved to receive an EDG Grant that has entered into a Funding Agreement with the City.

3. Funding

There is no fixed minimum or maximum Grant amount. Each request is considered on its merits and must be supported by Matched Funding equal to or greater than the amount requested from the City. Funding is subject to available budget and Council approval.

The City may approve full, partial or no funding. Meeting the eligibility requirements does not guarantee funding.

Applications may be submitted throughout the year, subject to available funding and sufficient time for assessment and Council consideration.

4. Eligibility

4.1. Who Can Apply

To be eligible, an Applicant must:

- be a legal entity with a registered Australian Business Number;
- be capable of entering into a binding Funding Agreement with the City;
- hold or be able to obtain all appropriate insurance, permits, licences and approvals;
- operate within, be connected with or propose a project that provides clear and measurable economic diversification, economic growth or productivity benefit for the City;
- have the financial and project management capacity to deliver the proposed project;
- provide Matched Funding equal to or greater than the amount requested from the City; and
- have no outstanding debts or overdue Acquittals with the City.

Constituted and incorporated not for profit entities whose primary purpose is business development or business support are not eligible for EDG. These organisations should consider the Business Development Support Grant Program.

4.2. What Can Be Funded

Eligible projects may include:

- research and development programs;
- value chain or supply chain assessments that identify gaps and opportunities in the local market;
- feasibility studies, market assessments, business plans and proof of concept activities;
- work required to investigate or navigate a regulatory pathway for a new industry, technology, product or service;
- projects that enable a new or existing business to introduce a product, service or operation that does not currently exist within the City;
- projects involving emerging technology, innovation, renewable resources or increased productivity;
- industry wide skills and capability programs delivered by a university, college or recognised education or training provider in response to an identified industry need; and
- once off capital expenditure directly required to establish an approved new industry, product, service or operation, where the activity is not currently available within the local market.

Important: Capital or fitout funding will only be considered in exceptional circumstances. The Applicant must demonstrate that the cost is essential to establish genuinely new local activity, is not an ordinary operating cost and represents value for money.

4.3. Priority Industries

Projects may relate to any industry where a clear local market gap and economic benefit can be demonstrated. Particular consideration will be given to industries and activities prioritised in the Economic Development and Tourism Strategy 2025 to 2035, including:

- renewable energy;
- manufacturing and industrial diversification;

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- logistics;
- education and training;
- healthcare, aged care and wellness;
- arts, recreational services and creative industries; and
- tourism.

4.4. What Will Not Be Funded

Funding will not be considered for:

- deficit funding or repayment of debts;
- projects, activities or initiatives that have already commenced or been completed;
- the purchase of alcohol or associated licences or services;
- ordinary operating or maintenance costs, including wages, rent, utilities, recurring operational needs and consumables;
- Capital expenditure and fit-out costs are not eligible for funding and will only be considered in exceptional circumstances;
- business as usual, including the continuation, routine expansion, replacement or upgrade of a product, service or operation already available within the local market;
- training or skills development undertaken primarily for the benefit of an individual business or its employees;
- an organisation delivering an existing and ongoing core business activity for financial gain as a supplier to another organisation;
- activities for which another government body has primary responsibility;
- activities that contravene City policies or local laws or present an unacceptable risk to public health or safety;
- a product, service or activity inconsistent with the City's values or presenting an unacceptable risk to the City's reputation;
- activities already funded through another City funding program during the current financial year;
- incomplete applications or applications that do not allow sufficient time for Council consideration;
- Applicants that have not fulfilled previous City funding obligations; or
- Applicants with outstanding debts to the City, including overdue Acquitalls.

5. Preparing an Application

5.1. Contact the City

Applicants should contact the City before preparing a complete application. The initial discussion will help determine whether the proposal addresses a local market gap, is likely to meet the EDG objectives or is more appropriately considered through another funding program.

The City may request a short project summary before inviting the Applicant to submit a complete application.

5.2. Information Required

The level of detail required will be proportionate to the value, complexity and risk of the funding request.

The application must include:

- information about the Applicant, its structure, experience and capacity to deliver;

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- a clear description of the proposed project and the new industry, product, service or operation it will investigate or establish;
- evidence of the local market, supply chain or value chain gap;
- evidence that the proposed activity is not already available within the City;
- the research, methodology and assumptions supporting the proposal;
- a project plan, delivery timeframe and key milestones;
- a detailed income and expenditure budget showing costs excluding GST;
- details of confirmed and proposed funding, contributions and partners;
- evidence of Matched Funding;
- the amount requested and an explanation of why City funding is required;
- the expected economic diversification and productivity benefits;
- how outcomes will be measured;
- evidence of alignment with the Council Plan and Economic Development and Tourism Strategy;
- risk management information and relevant regulatory considerations;
- details of insurance, permits, licences and approvals;
- information addressing each assessment criterion; and
- any other supporting information requested by the City.

6. How to Apply

Applicants should complete the following steps:

- Read this Funding Guideline and the Grant & Sponsorship Policy.
- Contact the City to discuss the proposal, eligibility and timing.
- Provide an initial project summary if requested.
- Confirm the proposed activity addresses a local gap and is not business as usual.
- Prepare the project plan, budget, Matched Funding evidence and supporting documents.
- Complete and submit the approved EDG application form.
- Respond promptly if the City requests clarification or further information.

Important: It is the Applicant's responsibility to submit a complete application. An incomplete application may be returned or determined ineligible and will not proceed to assessment unless all mandatory requirements are satisfied. The proposed project must not commence before Council approval and execution of a Funding Agreement.

7. Assessment and Decision Making

7.1. Eligibility and Compliance Review

The City will review the application to confirm that:

- the Applicant is eligible;
- the proposal meets the EDG objectives and project eligibility requirements;
- all mandatory information and supporting documents have been provided; and

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- sufficient time is available to complete assessment, approval and the Funding Agreement before the project commences.

Applications that do not meet the eligibility or compliance requirements will not proceed to assessment.

7.2. Application Timeline

Applicants should allow approximately four to six months from the initial discussion to execution of the Funding Agreement. Timing depends on completeness, value, complexity, risk and Council meeting dates.

Application stage	What happens	Indicative timeframe
Initial discussion	The Applicant discusses the proposal, market gap, eligibility and information requirements with the City.	1 to 2 weeks
Application preparation	The Applicant prepares the project plan, evidence, budget and supporting documents.	3 to 5 weeks
Compliance review	The City confirms eligibility, completeness and mandatory information.	2 to 3 weeks
Assessment and recommendation	The proposal is assessed and a recommendation and draft Council report are prepared.	3 to 5 weeks
Internal review	The application, assessment, recommendation and Council report complete internal review and Executive Leadership Team consideration.	3 to 5 weeks
Council consideration	Council considers and determines the application.	4 to 6 weeks
Notification and agreement	The Applicant is notified and, if approved, the Funding Agreement is prepared and executed.	2 to 3 weeks

7.3. Assessment Criteria

Strategic Alignment is mandatory. Compliant applications will be assessed against the following criteria:

Assessment criterion	Description	Weighting
Strategic Alignment	Contribution to Council's Vision and Strategic Themes, with particular focus on the Economic Development and Tourism Strategy, and consideration of relevant environmental and sustainability impacts.	Mandatory Yes or No
Economic Impact	Potential direct economic impact, diversification and productivity benefit, including the market gap addressed, new activity introduced, strategic advantages used and benefits for local suppliers, businesses and stakeholders.	30%
Value	Demonstrated demand and need, funding leverage, project partners and potential to enable further economic development activity.	30%
Viability	Feasibility and long-term viability of the project and organisation, including appropriate contingency planning.	20%

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Assessment criterion	Description	Weighting
Project Plan	A complete project plan, budget, timeframe and methodology, including financial, risk and project management capacity and communication or marketing planning.	20%

7.4. What the City Will Consider

7.4.1. Strategic Alignment

The City will consider:

- alignment with the Council Plan and Economic Development and Tourism Strategy;
- contribution to economic diversification and productivity;
- alignment with an EDTS priority industry where relevant;
- sustainability and environmental impact; and
- consistency with the City's values and reputation.

7.4.2. Economic Impact

The City will consider:

- the market, supply chain or value chain gap addressed;
- whether the product, service or operation is genuinely new to the local market;
- the expected diversification and productivity benefits;
- benefits for local suppliers, businesses and stakeholders;
- the potential to diversify local job and career opportunities; and
- how outcomes will be measured.

7.4.3. Value

The City will consider:

- evidence of demand and market need;
- the reasonableness of proposed costs;
- confirmed and proposed funding and partner contributions;
- the extent to which City funding is leveraged;
- why City funding is required; and
- the potential to enable future investment or economic activity.

7.4.4. Viability

The City will consider:

- technical, market, regulatory and financial feasibility;
- the Applicant's capacity and relevant experience;
- the long-term viability of the proposed activity; and
- risks, dependencies and contingency planning.

7.4.5. Project Plan

The City will consider:

- clear objectives, deliverables and measurable outcomes;
- a realistic methodology and delivery timeframe;

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- a complete and accurate budget;
- a risk management plan;
- roles, responsibilities and governance; and
- appropriate communication or marketing planning.

7.5. Assessment and Council Decision

Compliant applications will be assessed against the approved criteria. The level of scrutiny will be proportionate to the value, complexity and risk of the funding request.

Following assessment and internal review, the application and recommendation will be considered by the Executive Leadership Team before being presented to Council.

Council will determine whether the application receives full, partial or no funding. Applicants will be notified in writing. Council's decision is final and not subject to appeal.

8. If Your Application Is Successful

8.1. Funding Agreement and Commencement

A successful Applicant must enter into a written Funding Agreement with the City before commencing the approved project or incurring eligible expenditure.

The Funding Agreement will specify the approved purpose, funding amount, activities, deliverables, outcomes, payment arrangements, delivery timeframe, acknowledgement requirements and Acquittal obligations.

8.2. Payment Arrangements

EDG funding is paid as reimbursement for approved expenditure incurred after the Funding Agreement has been executed. The Recipient must provide a valid tax invoice and supporting evidence before payment is made.

Funding is calculated on eligible costs excluding GST. Payment processing may take up to 30 days after the City receives a valid tax invoice and all required documentation.

8.3. Publication and Acknowledgement

The City will publish information about successful Applicants and approved funding on its website in accordance with applicable requirements.

Recipients must acknowledge the City's assistance as specified in the Funding Agreement. This may include use of the City logo, recognition in public communications, joint promotional activity and provision of photographs or video.

9. Changes to an Approved Project

A Recipient must submit a written request and obtain the City's written approval before changing an approved project, expenditure, deliverable, outcome or delivery timeframe.

Variations will generally only be considered where circumstances are beyond the Recipient's control and the overall intent of the approved project remains unchanged. Approval is not guaranteed.

10. Acquittal

10.1. Acquittal Requirements

The Recipient must submit an Acquittal within 60 days of completing the approved project unless another timeframe has been approved and recorded in the Funding Agreement.

The Acquittal must demonstrate:

- completion of the approved project and deliverables;
- use of City funding only for the approved purpose;
- provision of the required Matched Funding;
- actual income and expenditure;
- evidence of expenditure and payment;
- the economic diversification, productivity and project outcomes achieved;
- performance against agreed measures;
- compliance with acknowledgement requirements; and
- any other information required by the Funding Agreement.

10.2. Unspent Funds and Failure to Acquit

Unspent funds must be returned to the City within 60 days of completing the approved project unless a written variation has been approved. Unspent, misused or unacquitted funding may be treated as a debt to the City.

The City may suspend, reduce, cancel or recover funding where a Recipient fails to comply with the Funding Agreement or approved funding conditions.

Failure to satisfactorily acquit funding may result in repayment requirements, withdrawal or forfeiture of unpaid funding, ineligibility for future City funding and other remedies under the Funding Agreement.

11. Further Information

Applicants are encouraged to contact the City before submitting an application if they are uncertain about eligibility, the local market gap requirement, Matched Funding, project scope, timing or supporting information.

Contact method	Details
Telephone	08 9186 8555
Email	enquiries@karratha.wa.gov.au
Website	www.karratha.wa.gov.au

12. Related Documents

- Grant & Sponsorship Policy.