

**LOCALBUYING  
FOUNDATION**

AN INITIATIVE OF THE LOCAL BUYING PROGRAM

# FUNDING GUIDELINES

Queensland  
2017

August 2017

**BHP**

**BMA**  
BHP Billiton Mitsubishi Alliance

**C-RES**  
COMMUNITY RESOURCING  
FOR THE FUTURE

PROUDLY DELIVERING THE LOCAL BUYING PROGRAM IN PARTNERSHIP

## Building capacity through the Local Buying Foundation (LBF)

The LBF in Queensland is a critical element of the Local Buying Program utilized by BHP's Coal Assets – BHP Mitsubishi Alliance (BMA) and BHP Mitsui Coal (BMC). The Foundation aims to enhance the economic sustainability of the communities within BMA and BMC's operational footprint and the broader identified Central Highlands, Isaac and Mackay regions.

## How is the Foundation funded?

For transactions processed through the Local Buying Program, BMA and BMC Operations incur a nominal processing fee (a percentage of the transaction value) in addition to the successful supplier quote. The processing fee covers administration costs associated with delivering the Program (facilitated by C-Res, a cost neutral entity) with the remainder allocated to the Foundation.

## How is the Foundation managed?

C-Res is responsible for the day-to-day management of the Foundation, including the awareness and promotion of funding rounds, the identification of potential opportunities for partnership program funding, pre-assessment of applications, monitoring, evaluation of projects and programs approved under the Foundation. C-Res holds all Foundation funds in Trust on behalf of BMA and BMC.

To ensure funding opportunities target genuine community needs, C-Res provides recommendations to the Local Buying Foundation Advisory Committee on the allocation and disbursement of funding under the Foundation. The Foundation Advisory Committee is a representative body of key stakeholders from across the regions with an interest and/or skills and expertise in local regional economic development. Representation includes BHP, Central Highlands Regional Council, Isaac Regional Council, Mackay Regional Council and representatives from economic and business groups from each region and cross-regional industry groups.

## What are the Foundation's focus areas?

The Foundation's objectives and priority areas are reviewed regularly to ensure they remain relevant to the economic environment and aligned with changing business community needs. The current priority areas (or program streams) of the Foundation are:

1. **Building Sustainable Business Futures (BSBF)** – targeting the development of the broader business community's capacity and capability. Focal areas include but are not limited to:
  - i. **Workforce Development Projects** – for projects that deliver broader traineeship, apprenticeship, and/or business professional development programs
  - ii. **Economic Development Projects** – strategic projects targeting broader economic objectives within and across regions
  - iii. **Region Promotion and Awareness** – initiatives to increase regional awareness contributing to the economic viability of regional communities, e.g. events, marketing, campaigns, advocacy
2. **Building Sustainable Business Communities (BSBC)** – targeting the development of individual businesses capability and capacity that align with the key areas of Bowen Basin Business Development Initiative ([BBBDI](#)) or similar.

## How are funds awarded?

Organisations / businesses are required to submit a funding application for consideration by the LBF Advisory Committee. Funds are allocated in alignment with the Foundation's priority focus areas: 'Building Sustainable Business Futures' and 'Building Sustainable Business Communities'. Funding applications are assessed against the Foundation's criteria.

## How are funding opportunities communicated?

Funding rounds and closing dates for applications will be advertised via the Local Buying Foundation's website at [www.localbuyingfoundation.com.au](http://www.localbuyingfoundation.com.au).

*Funding rounds are on a quarterly basis and close at the end of February, May, August and November of each year.*

## What organisations are eligible for funding?

For all funding applications, preference will be given to organisations registered or operating (as primary place of business) in one or more of the Foundation's regions of interest (Central Highlands, Isaac or Mackay).

There are no restrictions on organisations that can submit funding applications, however, all applications must align with Foundation priority areas and meet project selection criteria.

All applicants are required to review and comply with the [BHP Charter Values](#) and [Code of Business Conduct](#).

## How do I submit an application?

Funding application forms are available from [www.localbuyingfoundation.com.au](http://www.localbuyingfoundation.com.au). All applications must be submitted by the due date and as per funding application guidelines.

The receipt of applications is confirmed by C-Res via email. If additional information is required, C-Res will contact the applicant directly.

## How are applications assessed?

Applications are pre-assessed by C-Res against Foundation focus areas and criteria. Applications that meet key criteria will be presented to the LBF Advisory Committee for consideration.

## Mandatory assessment criteria:

- Project objectives align with the Foundations' focus areas
- The organisation has a formal governance structure and/or registered with the appropriate government bodies
- The organisation has the capacity, financial stability and leadership to support the project
- The organisation is of reputable standing, and the project is supported by key community stakeholders.

In addition, applications are assessed against specific project success criteria, including:

- **Impact** - within and across communities in both the short and long-term
- **Sustainability** - potential for the project to become financially self-sustaining
- **Cost Effectiveness** – value for money and ability to leverage funds through other sources
- **Project Alignment and Practicality** - achievability of proposed scope of work.
- **Project Agility and Flexibility** – identification of project risks, mitigation strategies and ability to respond to changing needs of the project.

### When are applications approved?

The LBF Advisory Committee meets quarterly to assess and approve funding applications.

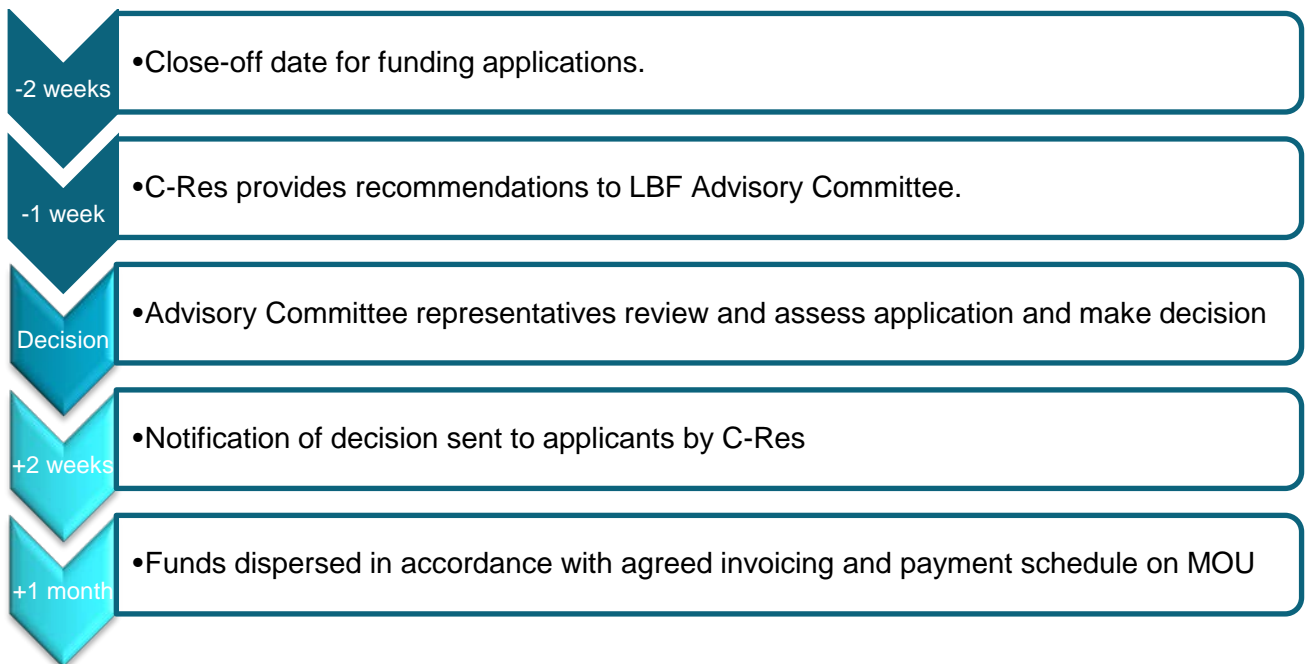
Organisations will be notified in writing by C-Res within two weeks of a funding decision.

### When are funds disbursed?

Generally, funding will be disbursed within one month of an approval decision.

For projects with approved milestone payments, funding is disbursed in accordance with an agreed invoicing and payment schedule.

The figure below summarises the project approval process.



### How are projects monitored and evaluated?

Progress Reports are to be submitted on all funded projects as outlined and agreed in the MOU until the project has been finalized and then a Final Report is required.

## How can I request a change for my approved project?

Grant recipients and partners may request a change in project scope or budget by notifying C-Res in writing. Based on the requested/required change, a new application may be required.

All change requests are pre-assessed by C-Res and forwarded to either the LBF Chair or the LBF Advisory Committee for consideration depending on the level of change requested. Organisations will be notified of the outcome within two weeks of a decision. Funds can only be spent on activities defined and approved in the original application (approved by the Committee) unless an approval (written) has been granted by C-Res (via the Chair).

## Are their promotional requirements?

Successful applicants where possible are required to recognise the Local Buying Foundation contribution for the approved project. This may include any one or more of the following methods:

- Flyers, brochures, event programs
- Local print media (includes school newsletters, community newspapers, flyers, brochures)
- Launch of the event which involves attendance of BMA, BMC, BHP, LBF or C-Res representatives
- Radio station(s)
- Television station(s)
- Printed merchandise
- Signage
- Acknowledgment in speeches/formalities
- Electronic media – websites, Facebook, LinkedIn

If the LBF, C-Res, BHP, BMA, and/or BMC logo is required for print and/or electronic promotional material, the organisation must contact C-Res who will advise on the guidelines and the approval process for the use of the logos.

**Organisations must allow a minimum of 5 working days for all approvals.**

## Find out more

Visit [www.localbuyingfoundation.com.au](http://www.localbuyingfoundation.com.au)

Phone **1800 536 663** or email [info@localbuyingfoundation.com.au](mailto:info@localbuyingfoundation.com.au)