

Tourism Product Development Fund - Experience Enhancement Fund

2020 – 2021 Financial Year



Guidelines

Overview

The NSW Government has announced that \$2 million in Experience Enhancement funding is available in 2020-21.

Funding of between \$50,000 and \$150,000 excluding GST is available, per applicant, on a matched dollar-for-dollar basis for eligible project costs.

Applications can be for projects of a much greater value, however, all additional costs will need to be covered by the applicant.

All applicants must be registered for GST and the existing or proposed tourism business must be located in and operate from regional NSW.

Work on the project must commence within three (3) months and all work completed (i.e. the new or improved tourism offering is available to visitors) within 18 months of the Funding Agreement being signed by Destination NSW.

If the applicant is an existing tourism business, the tourism offering must:

- have a current GetConnected (ATDW) listing¹
- be bookable online²
- agree to update their GetConnected listing to reflect the new or improved offering when it is open to visitors.

If the applicant is a new tourism business they must agree to:

- create a GetConnected (ATDW) listing once the business is open to visitors
- make the tourism offering bookable online³.

The tourism offering must be available to visitors for at least 50 weeks per calendar year⁴.

Applications close at 9am (Sydney Time) on 31 March 2021.

¹ More information on GetConnected is available on the [Destination NSW website](#)

² An applicant from an area with no or limited internet connectivity, which results in online bookings not being viable for their business, may apply.

³ An applicant from an area with no or limited internet connectivity, which results in online bookings not being viable for their business, may request an exemption.

⁴ Excluding any natural disasters or emergency orders which force the closure of the business to visitors.

What can I apply for?

Experience Enhancement Fund is available for:

- Upgrading of existing accommodation to 4- to 5-star⁵
- Upgrading of existing business and leisure event venues/facilities to meet client requirements⁶
- Repurposing existing infrastructure to provide new visitor economy facilities, services or experiences not currently available within the destination
- Creating new tourism attractions or experiences

Funding of between \$50,000 and \$150,000 excluding GST on a matched dollar-for-dollar basis will be available for eligible project costs. See Terms and Conditions for more information on ineligible items.

What is matching funding?

For every dollar in funding you are requesting, you will need to have your own funds to (at least) match the funding being requested on a dollar for dollar basis.

If the project budget exceeds the total of the funding requested and your matching cash, you will also need to demonstrate that you have sufficient funds on hand to complete the work described in your application.

Your investment must be in cash i.e. not contra or value in kind. The investment can be in your own or any disclosed partner's bank accounts or through a bank loan or overdraft.

You will need to provide evidence that these funds are available e.g. bank statements, at the time of your application. Should you be successful, you will need to confirm these funds are still available at the time of signing the Funding Agreement.

Who can apply?

- Local Councils, Industry Associations and tourism operators based and operating in regional NSW can apply. Regional NSW is defined by the Destination Network areas. Please refer to the map on page 8 of these guidelines or go to the [Destination Networks page of the Destination NSW website](#).

NSW Government owned, operated or managed businesses are not eligible applicants.

All applicants must be registered for GST.

How do I apply?

Online applications can be accessed on the [Tourism Product Development Fund page of the Destination NSW website](#). Only online applications will be accepted. Application Forms sent via email, post or fax will not be accepted.

⁵ As per Star Rating Australia or tourism aggregator website ratings (e.g. Bookings.com, TripAdvisor or similar. Self-assessment of the star rating by the business will not be accepted.

⁶ Evidence or research based on consumer or event organiser feedback, requests that could not be met within the current operation or other reasons for lost business, and/or Business or Leisure Event supply gaps identified in the region's Destination Management Plan

Applicants are encouraged to read these guidelines carefully and to answer each question in the application form (please review the Application Guide for more information) and to provide evidence, as requested, to support their answers.

These Guidelines and the Application Guide have been developed to assist you in developing an eligible project and competitive application. Please read all the information and if you have any questions please contact your [Destination Network](#).

When can I apply?

Applications close at 9am (Sydney Time) on 31 March 2021.

Applicants are encouraged to submit their applications prior to the closing date and time to ensure they encounter no technical difficulties.

No extensions to the submission day or time will be provided.

Destination NSW is not responsible for delays to the submission of applications caused by technology, connection or other issues outside of its control.

Assessment Considerations

Destination NSW will consider the following factors to evaluate and make a determination regarding funding being provided for an Experience Enhancement project:

1. Economic impacts
2. Strategic and marketing impacts
3. Capacity to deliver the project

More detail regarding each of the criteria is provided below:

Economic Impacts:

This is the ability of the project to increase visitor expenditure and jobs in NSW, as a direct result of the project. The size and scale of a project will influence its potential to deliver positive impacts. The economic impact will be calculated based on the impact to the region or destination including:

- The anticipated number of incremental intrastate but out of the region, interstate and international visitors who will travel as a result of the activity
- Their average length of stay
- Their estimated daily expenditure
- The opportunity for the activity to result in new long-term jobs.

Strategic and Marketing Impacts:

This refers to the project's effectiveness in driving outcomes for NSW. Factors considered include:

- How strongly the project aligns with the State-wide DMP, Visitor Economy Strategy (VES), State brand and marketing strategy or any other relevant NSW State Government strategic documents
- How strongly the business aligns with the relevant regional Destination Management Plan

- Relevance to Destination NSW's key sectors and strengths (Aboriginal Tourism, Cruise Tourism, Youth and Student Tourism, Nature, Wellbeing and Sustainable Tourism, Iconic Walks and Rides, Food and Wine Tourism, Cultural Tourism, Accessible Tourism and Business Events)
- Appeal to key domestic markets
- Appeal to international markets
- Likelihood of development being an iconic/hero destination or experience
- Impact on addressing identified seasonal challenges
- Sustainability initiatives or mitigations incorporated into the project design.

Capacity to deliver the project

This refers to the applicant's demonstrated ability to deliver and manage the proposed activity:

- A successful business record. The applicant organisation's business track record should be noted, e.g. evidence of growth, results of past product development activities (either grant or self-funded). If this is a new business, what skills do you and your team bring to running the business? Have you engaged an accountant and developed your costings and forecasts (income and expenditure) with them to confirm the business has the potential to be financially viable?
- Adequate dedicated human resources to manage the project. Detailing the experience and skills of the project manager and team, as they relate to the nature of this project, is important.
- Adequate systems and processes to manage and monitor. Detailing the systems/processes to be used is also important, e.g. a call to action, contracted online booking company, result measurement tools, project management software.
- Corporate Governance. Clear and transparent procurement and decision-making processes.
- A detailed, reasonable, compliant budget. The application 'Project Budget' template will be considered under this criterion. The proponent must show that any expenses ineligible under the Fund will be covered by alternative funds. Attaching a more detailed budget with explanations of budget line items may strengthen the response.
- Secured project funding. The applicant will need to detail the funds already secured for the project from their own sources, partners, or other. Any in-kind contributions can also be noted. To show project sustainability, an indication of how ongoing costs will be funded post any grant should be included.
- Investment in project planning and preparation. The applicant should highlight any preliminary work already undertaken showing a commitment to the project, e.g. preparing a business plan, secured DA approvals⁷, scoping the work, engaging expert advice, preparing design layouts and concepts.
- Any reporting for projects funded through any previous DNSW funding program up to date and/or complete.
- Applicants, who have received funding from any State Government body, will need to demonstrate they are up to date with their reporting and have met the funding program's requirements.

⁷ If the project requires a DA but approval has not yet been granted applicants are encouraged to provide the plans they have or will be submitting to Council and a timeline e.g. submitted to Council on (insert date), Council decision anticipated on (insert date).

If successful will I receive all the funding I am requesting?

The amount of funding offered to a successful project will be determined by Destination NSW and completely at its discretion. The NSW Government will offer a lesser amount if ineligible items have been included in the funding requested or if the project's ROI, to the NSW Government, does not support the total funds requested.

Terms and Conditions

- a) Applications for eligible Experience Enhancement activities can be submitted for funding between \$50,000 and \$150,000 excluding GST.
- b) Funds will be available until after a Funding Agreement is signed by Destination NSW and the successful applicant and all requirements of each milestone are met.
- c) The earliest project start date is the date a Funding Agreement is signed by Destination NSW and the applicant. **No activities described in the Funding Agreement or included in the budget can commence prior to the Funding Agreement being signed.**
- d) An applicant must be able to match the funding on a dollar-for-dollar basis. This may be the applicant's own money, partner investment and/or non-NSW State Government funding. Where any Federal Government funding is being used as part of the 'matched funds', the applicant will need to provide details of the Funding Agreement to ensure there is no double up, i.e. utilising one amount of non-Government funding promised against multiple, separate Government Funding Agreements for delivering the same outcome.
- e) 'In-kind' support is not eligible for 'matched funding'. The matched dollar-for-dollar funds must be cash only.
- f) A payment schedule will be developed, in consultation with the applicant, and linked to the agreed milestones. Projects generally have three or four milestone payments. Payments will be made to the applicant after they satisfactorily demonstrate that they have met the milestone requirement.
- g) Ten percent (10%) of the funding will be withheld for the final milestone payment which requires the applicant to satisfactorily submit a final report. The final report includes an overview of the project undertaken, a financial reconciliation, independent audit of the investment and expenditure for the project and reporting against key performance indicators (KPIs).
- h) The cost of the audit needs to be included in the project budget. The cost of the audit can be up to a maximum of 1 percent (1%) of the total project budget.
- i) KPIs require the collection of visitation and result data of the project for a 12-month period from when the project is open to guests.
- j) Successful applicants will need to create or update a GetConnected (ATDW) listing once their new project is open to the public. More information on GetConnected is available on the Destination NSW website.
- k) Successful applicants will need to supply Destination NSW with a valid certificate of currency for public liability insurance with coverage of \$20 million, noting Destination NSW as an interested party.
- l) Partners cannot enter into 'third party' agreements using the program funding.

Funding Agreement

Successful applicants will be required to enter into a legally binding Funding Agreement with Destination NSW. This agreement will set out:

- The rights and obligations of Destination NSW and the applicant
- The agreed work plan, timetable for completion, and the project budget
- Where relevant, may include a precondition e.g. e.g. any Council DA conditions, independent certification of their risk mitigation and/or community consultations where a project may affect the local community.
- Staged payments that will be made following the successful completion of agreed milestones
- Key Performance Indicators
- How funds are to be acquitted
- Reporting and accountability obligations
- Requirements for recognising NSW State Government / Destination NSW support.

Funding cannot be used for:

The following activities are not eligible to receive funding through the Experience Enhancement Fund:

- Construct, maintain or upgrade public transport infrastructure such as roads, airports, railways and ferry terminals.
- Undertake activities that would reasonably be seen as regular repairs and maintenance.
- Upgrade or develop meeting and/or local community facilities—including picnic or playground areas, local parks, barbeques, meeting facilities and regional and town entry features.
- Pre-project activities including but not limited to feasibility studies, stakeholder workshops, industry consultations, architectural/drafting and DA costs (including those associated with meeting Council Consent Conditions which may not be incurred until after the project commences e.g. construction certificates, stormwater management plans, etc.)
- Buying non-fixed equipment such as furniture or fittings, vehicles, boats, tents, mobile homes, computers, machinery or other removable, transportable or transferable equipment.
- The purchase and installation costs associated with canvas or other potentially mobile or transferable structures including, but not limited to demountable, transportable and mobile homes or cabins.*

***Exception**

Where Destination NSW, at its absolute discretion determines that engineering or construction requirements for the project imply long-term project permanence, costs of the associated built infrastructure such as platforms, foundations, plumbing, black water management, fixed picnic tables, barbeques and safety lighting, landscaping, water features (not swimming pools), parking area, amenity blocks, etc., may be eligible.

- Purchase of a prize to be used in a competition or trade promotion.
- Buy or lease real estate of any type.

- Engage or pay permanent employees.
- Engage or pay any employees or contracted staff.
- Pay for work undertaken on the project before the Funding Agreement with the NSW Government is executed.
- Provide allowances for project 'contingencies' in the budget.
- Raise capital funds, provide fund investment, or fund/undertake venture capital activities.
- Duplicate or overlap any other NSW Government grant program funding.
- Attend intra-state, inter-state or overseas based trade events, trade shows, wholesale programs, sales calls, conferences, seminars, travel agent training, forums or fees related to any of these items.
- Cover any other activities that are not directly related to the project.
- The marketing, sponsorship, performer/artist fees, infrastructure costs or general administration costs relating to an event⁸.
- New, or upgrading of, road or property signage.
- Start up a business or undertake activities specifically associated with starting up a business—such as business registration, business licences or incorporation costs.
- Upgrade or develop non accredited visitor information centres or facilities.
- Cover administrative and running costs that are normally the Partner's responsibility—for example, insurance, rent, standard office equipment, telephone costs, travel, accommodation, meals, secretarial support, non-fulfilment postage and other consumables.
- Retainer or contract fees for marketing, PR and advertising services (e.g. advertising agency, workshop delivery, web hosting services, etc.).
- Maintenance costs for primary consumer and corporate websites and other digital assets.

Where to find more information

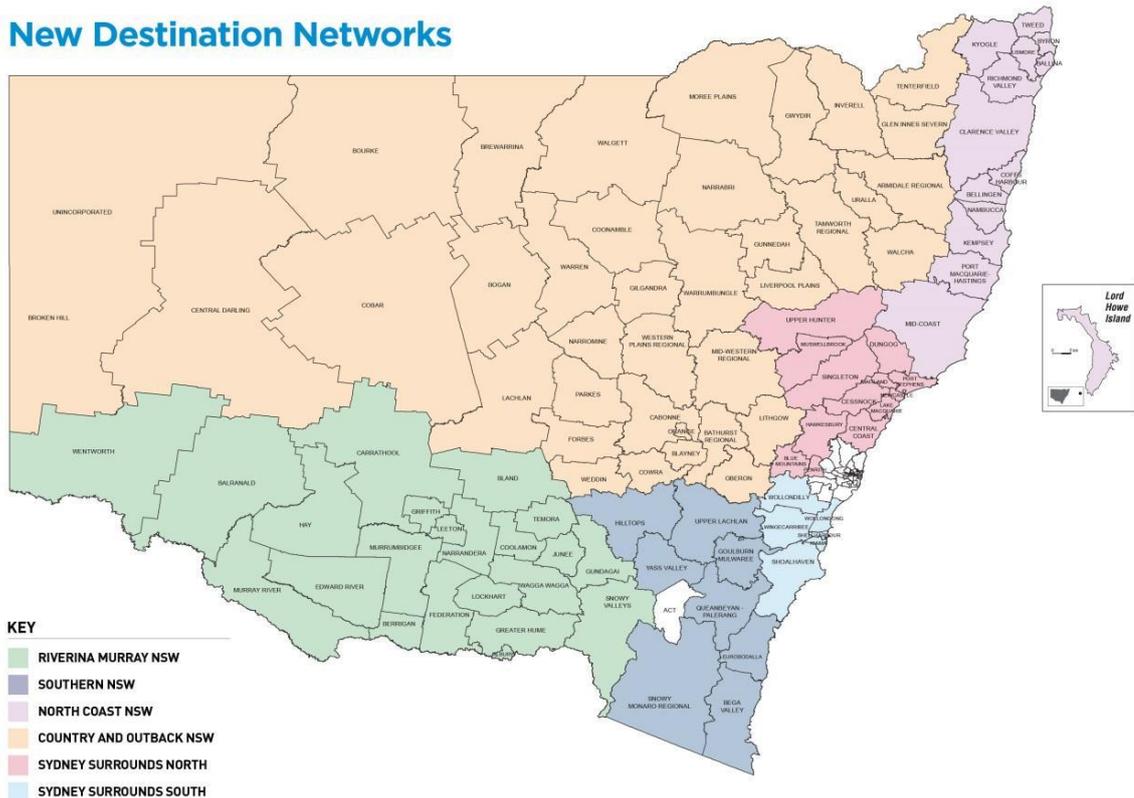
Further information on the Tourism Product Development Fund can be found on the [Destination NSW website](#).

For assistance in developing your project and application please contact your Destination Network and/or your Destination NSW Regional Tourism Development Manager.

- [Destination Networks Contacts](#)
- [Regional Tourism Development Manager Contacts](#)

⁸ Destination NSW provides other support to events. Further information is available on our [Events page](#).

New Destination Networks



Additional information on the following topics is available:

- [Destination Networks](#)
- [Event support](#)
- [Destination Management Planning](#)
- [Research Statistics](#)
- [Destination NSW Strategies & Plans](#)
- [Destination NSW Privacy Policy](#) and [Terms of Use](#)

Disclaimer

Information provided by Destination NSW is provided as a guide only. Feedback is supplied based on the information provided to Destination NSW. Destination NSW does not make any representation or warranty about the accuracy, suitability, reliability, currency or completeness of any feedback provided. Destination NSW provides no guarantee of any particular outcome for your business if you choose to rely on the feedback and no guarantee that your project will be successful following feedback from Destination NSW.

Nobody knows your business better than you. It is yours and your management's responsibility to decide, based on your full knowledge and understanding of your business situation, how relevant the information is to your business. Destination NSW recommends you consider seeking independent sources of professional advice, legal, financial or otherwise before making any decision. The State of New South Wales through Destination NSW is not liable for any loss resulting from any action taken or reliance made by you on any feedback and information provided.

Please note funding is not guaranteed unless you sign a Funding Agreement with Destination NSW and the Agreement is fully executed. Destination NSW is not responsible for any costs.