



NATIONAL COMMUNICATIONS FUND

PROGRAM GUIDELINES

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A. WHAT IS THE NATIONAL COMMUNICATIONS FUND?

The National Communications Fund (NCF) is a \$50 million program to support significant telecommunications projects in the education and health sectors in regional Australia. The NCF aims to help improve service delivery in these sectors, and will also encourage the development of high bandwidth data services in regional communities. The NCF is a key element of the Government's response to the Telecommunications Service Inquiry.

Program funds will be available over three years only from 2002-03.

A.1 Program objective

The NCF's objective is to achieve significant improvements in service delivery in the education and health sectors through funding large-scale telecommunications projects in regional areas. Priority will be given to projects that improve telecommunications services generally in regional communities, as well as improving the delivery of education and health services.

For the purposes of the NCF, regional areas include all of Australia except for capital cities.

Projects will be expected to deliver services predominantly in regional areas. However, NCF funding may be used to establish links between regional communities and capital cities. Projects covering an entire State/Territory may include service delivery in capital cities.

A.2 What types of projects will the program support?

The primary focus of the NCF is to improve the delivery of education and health services in regional areas. To accomplish this, the NCF will support projects that involve establishing new network infrastructure and/or enhancing the capabilities of existing network infrastructure. The NCF will also fund, where relevant:

- applications and content that are integral to the delivery of significantly improved education and health services and/or the functioning of the telecommunications infrastructure to be established or enhanced; and/or
- related costs such as reasonable community awareness and training costs.

The NCF will not fund the development of applications or content alone. The Commonwealth anticipates that a significant component of all successful projects would involve establishing or enhancing telecommunications infrastructure.

In relation to infrastructure, the NCF may, for example, fund the cost of:

- capital equipment;
- network operating systems;
- network engineering and design;

- ‘last mile’ connectivity;
- purchasing/leasing managed network connectivity;
- implementation costs including operational costs and possibly some limited overheads; or
- obtaining a carrier licence (if the successful applicant nominates to become a carrier under the *Telecommunications Act 1997*).

While this list is not exhaustive, it is an indication of the types of capital expenditure considered eligible for funding under the program.

Where recurrent costs are being sought, the Commonwealth expects that it would fully cover these costs only during the first year of the project. During the second and third years the Commonwealth would cover a declining proportion of operational costs (eg. 50% in the second year, 0% in the third year).

Funding from the NCF must be spent on project costs associated with improving the delivery of education and health services.

A.3 What level of support is available?

The total funding available for grants under the NCF is \$50 million. The minimum project grant available is \$3 million.

There is no limit on the maximum amount of funding that applicants may seek. However, applicants seeking a large component of the \$50 million available will need to demonstrate that their project will deliver a very high level of improvement in service delivery and considerable national benefits.

Projects will be funded for a maximum period of three (3) years.

It is anticipated that there will be only one call for applications for the NCF. The Commonwealth reserves the right to call for an additional application round should the initial response be considered not to have adequately met the program’s objective.

A.4 Program approach

The primary focus of the NCF is on improving the delivery of education and health services in regional Australia. Given the wide variety of locations and potential requirements for a range of services, a flexible approach has been adopted for the NCF. Under this approach the guidelines set the broad parameters that projects should meet, while leaving applicants with the flexibility to design projects of varying scope and focus to suit specific circumstances.

Specifying need, demand and outcomes

Applicants will need to demonstrate a clear need for significantly improved service delivery and describe how their proposed project will result in significant improvements in service delivery to regional areas. Applicants should specify the level of need for education and/or health services in the targeted communities, the

level of demand for the proposed services and the benefits arising from delivering the proposed services.

Leverage

The Commonwealth is seeking to maximise the benefits from its investment. Accordingly, applicants will be expected to contribute financial and/or in-kind resources to projects. The nature and level of contributions from applicants and other individuals and organisations involved in the proposal will be taken into consideration during the assessment process.

State and Territory Government agencies will be required to provide at least equal funding for projects put forward by their own agencies. In situations where more than one agency, or more than one State or Territory Government, applies for funding for a single project, the total contribution from all Government agencies should equal the grant being requested.

For the purposes of the NCF, a State or Territory agency is a 'government related entity' for the purposes of *A New Tax System (Goods and Services Tax) Act 1999* which is established by a State or Territory, but does not include those bodies established pursuant to local government legislation in each state. Such State or Territory agencies must provide equal funding.

Sustainability

The Commonwealth intends that projects should continue to deliver services after NCF funding ceases and does not intend to provide ongoing funding for these projects. Applicants will be expected to provide a clear and convincing strategy for ensuring ongoing viability. As part of this strategy, applicants must show how the project will be managed and should specify the likely recurrent costs of the project and how they will meet these costs. They should also specify likely sources of revenue from the project.

Collaboration and cooperation

The Commonwealth is seeking to encourage collaboration (eg. through consortia of project partners) on the establishment and use of NCF projects. Such collaboration could involve education and health service providers, other service providers, telecommunications carriers, community organisations, State/Territory Government agencies, local governments etc.

Consortia could include organisations from more than one State/Territory.

Technology neutrality

A technology neutral approach has been adopted for the NCF with no preference for any particular communications technology.

Confidentiality

DOCITA is accountable to Parliament and to the public in respect of all aspects of the NCF program. Our treatment of your applications is already subject to special obligations placed on Australian Public Service employees by the *Privacy Act 1988* and the *Public Service Act 1999*, which govern our use of the information you provide us. In this context, we are generally unable to accept grant applications on a confidential basis.

Relationship to other government programs

In assessing NCF proposals, the Commonwealth will take into account the relationship of the proposed project to other Commonwealth and State/Territory Government programs. These programs may include:

- Networking the Nation and other programs delivered by DOCITA;
- Programs delivered by the Commonwealth Department for Education, Training and Youth Affairs;
- Programs delivered by the Commonwealth Department of Health and Aged Care;
- Programs delivered by the Commonwealth Department of Family and Community Services; and
- any other relevant Commonwealth or State/Territory Government programs.

Any assistance provided by other government programs should complement, and not duplicate, those activities supported by the NCF, and will be assessed for its consistency with the NCF objective. The degree of coherence between the NCF proposal and assisting/supporting Government programs will be a key consideration in the assessment process.

Education and health information standards

Project proposals should be based on open and interoperable education and health information standards.

Proposals for education services should be consistent with *Learning for the Knowledge Society, an education and training action plan for the information economy*, the Education Network Australia (EdNA Online) technical standards project, the Vocational Education and Training (VET) Preferred Standards project and the Schools Online Curriculum Content Initiative (SOCCI). Further information on these initiatives may be found at <http://www.detya.gov.au/edu/edactplan.htm>, <http://standards.edna.edu.au/>, socci.edna.edu.au/ and www.flexiblelearning.net.au/standards/navigation/home.shtml.

Proposals for health services should be consistent with *Health Online: A Health Information Action Plan for Australia* and *Setting the Standards: A National Health Information Standards Plan for Australia*. More information on these plans may be found at: www.health.gov.au/healthonline/index.htm.

Compliance with the *Telecommunications Act 1997*

The *Telecommunications Act 1997* (the Act) establishes the regulatory regime for the Australian telecommunications industry. This regime is designed to achieve full and open competition within the industry, as well as providing a framework for the regulation of telecommunications services in Australia.

Any communications network supported by the NCF needs to comply with the requirements of the Act. Applicants need to outline a proposed approach (for example, whether the approach requires obtaining a carrier licence or seeking an exemption or trial certificate) to meeting this requirement in the application form.

Applicants should be aware that they need to comply with the carrier licensing requirements if their proposal involves the ownership of telecommunications infrastructure defined under the Act as a network unit and that network unit is being used to supply carriage services to the public. The owner of the network unit needs to obtain a carrier licence or ensure a nominated carrier declaration is in place in relation to the network unit, unless an exemption applies.

The Australian Communications Authority's (ACA) Guide *Know Your Obligations* provides information about the carrier licensing framework, carrier obligations under the Act and guidance on application requirements for a carrier licence and a nominated carrier declaration. This Guide is available online at http://www.aca.gov.au/licence/carrier_index.htm.

Applicants should also note the awarding of a carrier licence is an administrative decision of the ACA.

Carriage service provider regulation

Applicants should be aware that if they propose to supply carriage services to the public using a carrier's network unit(s), they will be operating as carriage service providers. More information on service provider regulation is provided in the *Know Your Obligations* Guide.

Please note DOCITA does not provide legal advice to applicants. Applicants should seek their own independent professional advice in this respect.

Other regulation

Applicants should be aware that Part XIC of the *Trade Practices Act 1974* establishes a process whereby service providers who wish to supply telecommunications services or content services by means of telecommunications (carriage) services can obtain access to particular (input) services provided by another telecommunications network. There is no general right of access and the Australian Competition and Consumer Commission (ACCC) must first declare the service. A number of such services have been declared.

Declaration means the affected service is regulated—imposing a requirement on the provider to supply the service when requested by access seekers on agreed terms and

conditions (or, potentially, on terms and conditions arbitrated by the ACCC). Exemptions from these access obligations may be granted by the ACCC in some circumstances.

Further information can be found in the ACCC's *Telecommunications Services – Declaration Provisions*, available Online at www.accc.gov.au or by contacting the ACCC's Telecommunications Group on 03 9290 1800. A list of declared services is also available for downloading from the above website.

A.5 The role of the Commonwealth Government

The NCF will be administered by DOCITA on behalf of the Commonwealth. The exact nature of DOCITA's role will be determined by the terms of the Funding Deed discussed in Part D.1 of these guidelines.

The Commonwealth will not take a day-to-day management role in the NCF projects once they are selected. However, DOCITA will monitor the implementation of the projects to ensure successful applicants meet the Commonwealth Government's objectives and accountability standards.

Federal election and caretaker period

The forthcoming federal election must be held by January 2002. Following the calling of the federal election and the dissolution of Parliament, the Government assumes a 'caretaker role'. During this period the Government, by convention, avoids taking major decisions that are likely to commit an incoming Government and avoids entering major contracts or undertakings. As the National Communications Fund is funded by the federal Government, the caretaker period may impact on this application process.

B. WHO CAN APPLY?

Both not-for-profit and for-profit organisations are eligible to apply for NCF funding – in their own right or as members of consortia. The types of organisations which can apply include, but are not limited to, education and health services providers, representatives from industry (including telecommunications carriers, service providers and network equipment suppliers), local governments, community organisations and State/Territory Government agencies.

Natural persons and Commonwealth Government Departments will not be able to apply for funding in their own right as lead applicants, but may join consortia. Applications from organisations that have not satisfactorily acquitted previous Commonwealth funding assistance in accordance with contractual agreements will not be considered.

B.1 Eligibility criteria

Applicants will need to meet the following eligibility criteria before their applications will be considered in the selection process:

- the application must be from an eligible organisation; and
- the project must involve the delivery of education and/or health services using telecommunications infrastructure; and
- project education and/or health services must be delivered in regional Australia; and
- the application must be for a minimum grant of \$3 million; and
- applicants must complete the Eligibility Checklist of the Application Form and include it with their application. Applicants must be able to answer each question in the affirmative to be eligible; and
- applications must be made on the NCF Application Form and must include all the information and documentation requested; and
- the application must be lodged at a time and in a form consistent with Section E of these guidelines.

B.2 Enquiry Form

Applicants must submit an NCF Enquiry Form to obtain a copy of the NCF Application Form. The Enquiry Form is available online at www.dcita.gov.au or by phoning the number provided in Section F of these guidelines.

The Enquiry Form may be emailed or faxed back to DOCITA (email address tsi.ncf@dcita.gov.au, fax number 02 6271 1779).

The Enquiry Form will permit DOCITA to disseminate the NCF Application Form to interested parties, as well as to ascertain market interest in the program.

C. WHAT IS THE PROCESS FOR SELECTING SUCCESSFUL PROJECTS?

C.1 The selection process

The NCF is a competitive grants program and proposals will be assessed on a competitive basis against the program's selection criteria.

It is envisaged that an independent advisory selection panel will be appointed to provide advice to DOCITA on the applications. This advisory selection panel will consist of experts in areas such as education and health sectors, telecommunications networks, project management and regional telecommunications issues. Conflict of interest provisions will operate.

It is envisaged that the assessment process will encompass:

- An initial examination of applications to ensure that they meet the NCF's eligibility criteria (outlined in section B.1 of these guidelines). Applications which do not meet the eligibility criteria will not be considered any further in the assessment process.
- A comprehensive assessment of the eligible applications by DOCITA against the program's selection criteria (outlined in section C.2 of these guidelines). This assessment may also include:
 - using external independent experts to provide advice on technical, financial and/or project management aspects contained in applications; and/or
 - seeking advice from other Commonwealth agencies in relation to the applications.
- Developing a shortlist of applications which meet the selection criteria to the highest degree.
- Consideration of shortlisted applications by the advisory selection panel. Shortlisted applicants may be interviewed as part of this process.
- Final funding decisions being made by the Minister after taking into account the report from the advisory selection panel.

Background checks, including checks of financial viability or criminal records, may be undertaken as part of the assessment process to determine the good character and business reputation of the applicant(s). Failure by the applicant to consent to reasonable inquiries of this nature being undertaken will result in no further consideration of the applicant's proposal.

Checks may also be made on companies associated with the applicant(s) through the Australian Securities and Investments Commission (ASIC) and other credit reference agencies.

C.2 The selection criteria

Applicants are requested to address all the following selection criteria. The order in which the criteria appear does not indicate the relative weight they may be given in the assessment of a particular application. Further details on the selection criteria are provided in Attachment A.

The degree to which an application offers value for money will be assessed against each of the following selection criteria:

1. The nature and extent of education and/or health needs present in the regional area which the project is seeking to address.
2. The characteristics of the proposed services to be delivered by the project:
 - (a) the nature, range and quality of the education and/or health services which will be delivered by the project;

- (b) the nature, range and quality of the other services which will be delivered by the project; and
 - (c) the nature and level of demand for the services, particularly education and health services.
3. The benefits and outcomes of the project:
 - (a) the benefits and outcomes of the project in terms of improvements to the delivery of education and/or health services to regional communities;
 - (b) the nature and extent of consequential improvements to telecommunications services, particularly high bandwidth services, in regional communities targeted by the project;
 - (c) the degree to which the project is consistent with overall directions in education and/or health and with other regional telecommunications initiatives; and
 - (d) the degree to which the project demonstrates and/or develops Australian Information and Communications Technology (ICT) capabilities to deliver education and/or health products, services and information.
 4. The reason NCF funding is required for the project to proceed.
 5. The extent to which the Commonwealth's funding will be leveraged by support from private, government and other sources.
 6. The degree to which the project is sustainable after NCF funding ceases.
 7. The quality of the project plan, management strategy and financial plan.
 8. The quality of expertise and experience of the proposed management team with regard to establishing and managing the project.
 9. The nature and range of organisations involved in the project and their capacity to contribute to project outcomes.

D. WHAT ARE SOME OF THE KEY CONDITIONS WHICH SUCCESSFUL APPLICANTS WILL BE REQUIRED TO MEET?

D.1 Funding Deed with the Commonwealth Government

A condition of funding is the execution of a legally binding Funding Deed. Grants will not be paid unless this Deed has been formally executed. The Deed will include specific key project milestones and performance outcomes, the payment schedule, reporting and auditing requirements. Funding may be terminated where the terms of the Deed are breached.

Applicants should note that the Commonwealth reserves the right to require successful applicants to undertake a full feasibility study of their project proposal prior to the commitment of total project funding. The cost of this feasibility study will be met through the NCF funding allocated to the particular project. Should the

feasibility study conclude that the project is not feasible, the Commonwealth reserves the right to discontinue any further funding to the project.

Funding is not available retrospectively—applicants should not plan to begin a project dependent on a grant from the NCF before executing the Deed.

Organisations should note that all Commonwealth funds and income earned from those funds must be invested in the NCF project.

D.2 Commonwealth, State/Territory and other legislative requirements

Proposals must comply with all relevant Commonwealth, State/Territory and other legislation including the *Telecommunications Act 1997* (see above); *Radiocommunications Act 1992*; *Environmental Protection and Biodiversity Conservation Act 1999*; *Australian Heritage Commission Act 1975*; *Endangered Species Protection Act 1992*; and the *National Parks and Wildlife Conservation Act 1975*.

In addition, there may be local government planning requirements which must be adhered to in formulating a proposal.

Successful applicants will be responsible to the Australian Taxation Office (ATO) for any taxation requirements and will also need to undertake their responsibilities in accordance with the Corporations Law.

D.3 Involvement in publicity/media events

Details of successful applicants will be published in DOCITA's Annual Report.

All successful applicants may be required to be involved in Commonwealth publicity associated with the NCF.

Any publicity material, including online material, relating to any communications network funded by the NCF, will be required under the funding agreement to acknowledge clearly and prominently the Commonwealth's contribution. This acknowledgement should state '[*Name of NCF project*] has been funded through the National Communications Fund, a Commonwealth Government initiative'.

It is also a requirement that any project funded by the NCF must invite the Commonwealth to participate in any publicity events undertaken by the advanced network including launches.

Copies of all promotional material should be provided to DOCITA prior to production to ensure the material complies with these requirements.

D.4 Payments

An initial advance payment will be made on signing of the agreement with the Commonwealth. Progressive payments will be made based on successful completion of agreed milestones, subject to the applicant having submitted satisfactory progress reports and to satisfactory acquittal of funds previously provided.

D.5 Monitoring

There will be regular and ongoing monitoring of individual projects by DOCITA to ensure compliance with the milestones outlined in the Funding Deed. Unless otherwise agreed with the Commonwealth, applicants will be required to achieve milestones and conduct activities in accordance with the initial application.

Grant recipients will be required to provide a certificate of expenditure and an annual audited statement of receipts and expenditure for the project. The certificate will need to be included with the reports identified in the Deed and must provide an explanation of all expenditure from the commencement of the project or the previous audit certificate. This includes an explanation of:

- expenditure of the grant; and
- other expenditure on the project (including State/Territory Government, industry and/or community contributions identified in the Deed).

The audited statement shall be prepared by a person who is not an officer or employee of the NCF project and who is registered as a company auditor or such like under a law in force in the State/Territory in which the project principally operates, or a member of the Institute of Chartered Accountants, the Australian Society of Certified Practising Accountants or the National Institute of Accountants. The statement shall be prepared in accordance with Australian Auditing Standards.

DOCITA may also engage independent financial and/or technological auditors to undertake audits as necessary.

D.6 Participation in program evaluation

The projects undertaken as part of the NCF will be evaluated during the term of the program and on completion, to determine the NCF's success in meeting the Commonwealth's objectives.

All successful applicants will be required to keep adequate records in order to participate in a mid-term review and final evaluation of the NCF.

D.7 Goods and Services Tax (GST) implications

The budget schedule for the grant application should show all expenses, excluding any GST that the applicant will be required to pay in relation to such expenses. Successful applicants who are GST registered will be paid GST for any taxable supply made to the Commonwealth as part of the grant, in accordance with the Funding Deed.

Please note that the ATO has issued a public ruling on the application of the GST to grants of financial assistance and funding (GSTR 2001/11). For further information about GST applicants should seek independent professional advice or contact the ATO. For any questions concerning the GST (including questions the registration process) contact the ATO's GST Business Information line on 13 24 78 or visit the ATO website www.ato.gov.au.

E. LODGING APPLICATIONS

E.1 How to lodge an application

Applicants must complete the NCF Application Form. Please use the Checklist in the application form to ensure all supporting documentation has been attached to your application.

Hard Copies: Applicants should provide an original and three copies of each application, including supporting material. The original and hard copies must be submitted so that they are received at the specified place of lodgement by the Closing Time set out at section E.2. The original should be identified and marked as such and each copy sequentially marked with a copy number, "copy 1", "copy 2", "copy 3". Where there are discrepancies between the original and any copy, the version identified as the original version shall be taken to be the correct version. One of the copies of the application and one copy of any supporting material is to be provided in an unbound format.

Electronic copy: A copy of the application should also be provided in electronic form on 3.5" disk or CD-ROM (Microsoft Word 97 for Windows and Microsoft Excel 97 for Windows). In the event of any discrepancy between the hard copy and the disk or CD-ROM, the hard copy shall take precedence.

The Commonwealth may make such copies of the application documents as it requires for the purposes of the selection process.

All applications will be acknowledged.

E.2 Closing Time for applications

The Closing Time set for lodging applications with the Department of Communications, Information Technology and the Arts is **local time in the ACT, 5.00 pm, 28 February 2002.**

Late applications

Any application lodged after the Closing Time will be treated as a late application. Late applications will be opened and registered separately.

The Commonwealth may at its sole discretion admit a late application to the selection process. In making its decision the Commonwealth will take into account whether the applicant will obtain an unfair advantage over other applicants if the late application is admitted.

E.3 Address for lodging NCF Enquiry Form and Application Form

Mailing address:

**National Communications Fund Team
Department of Communications, Information Technology and the Arts
GPO Box 2154
CANBERRA ACT 2601**

Courier address:

**National Communications Fund Team
Department of Communications, Information Technology and the Arts
38 Sydney Avenue
FORREST ACT 2603**

F. FURTHER ASSISTANCE

Please contact the National Communications Fund Team for assistance with the Program Guidelines and/or the Application Form on Tel: 02 6271 1878, Fax 02 6271 1779 or at the following email address: tsi.ncf@dcita.gov.au.

ATTACHMENT A**SELECTION CRITERIA
EXPLANATORY INFORMATION**

This document provides applicants with guidance on the sort of information they should provide when completing their application form. Applicants must provide a summary description of the project and information against each selection criterion. Applicants are welcome to contact the NCF team, if necessary, to clarify the guidelines.

Summary description

In accordance with the NCF Application Form, all applicants must provide a concise description (one A4 page) of the project, outlining the services to be delivered, where the services are to be delivered and what technology(ies), infrastructure and applications are to be used and/or developed.

Selection criteria

Applicants should address the following selection criteria.

1. The nature and extent of education and/or health needs present in the regional area which the project is seeking to address.

Applicants should specify the education and/or health telecommunications needs in the region(s) that their project will address. They should discuss the current situation with regard to delivering those services in the targeted communities. Applicants should consider the availability, quality and price of telecommunications services across the region. In respect of seeking funding for infrastructure, applicants should indicate how service difficulties relate to infrastructure problems.

2. The characteristics of the proposed services to be delivered by the project.**(a) the nature, range and quality of the education and/or health services which will be delivered by the project.**

Applicants should clearly describe the education and/or health services to be provided by the project. The description should include:

- the number of users of the services;
- the number of locations where the services will be delivered;
- the telecommunications technology(ies) to be used; and
- the service and/or quality standards that will be met.

(b) the nature, range and quality of the other services which will be delivered by the project.

Where applicants are proposing to deliver other services in addition to education and health services, they should specify what these services are and indicate whether they are necessary for the project to succeed. They should also discuss:

- the number of users of the services;
- the number of locations where the services will be delivered;
- the telecommunications technology(ies) to be used; and
- the service and/or quality standards that will be met.

(c) the nature and level of demand for the services, particularly education and health services.

Applicants will need to indicate the initial level of demand for the proposed initiative and how this demand is expected to change over time. This includes:

- describing the region(s) where the project services are to be delivered, including any local factors relevant to service delivery in the region(s);
- specifying the actual and potential users of the initiative (that is, the types and number of users that will be able to access the services, how they will access the services and the conditions they will be required to meet, and whether users have indicated they will use the services on the terms and conditions to be set);
- specifying the particular user requirements addressed by the initiative;
- providing the rationale for why these user requirements should be addressed; and
- specifying why such services currently are not being provided, and are unlikely to be provided, in the targeted communities in the near future.

3. The benefits and outcomes of the project:

(a) the benefits and outcomes of the project in terms of improvements to the delivery of education and/or health services to regional communities.

Applicants need to outline the potential benefits and outcomes of the proposed services and indicate how the services constitute an improvement over existing services in the targeted region. To assist the assessment process, these benefits and outcomes should be as tangible and as quantifiable as possible. Applicants should consider such aspects as the:

- impact on the delivery of education and/or health services in the targeted communities;
- likely impact on community education and/or health;
- likely impact of the project on the future delivery of education and/or health services in targeted communities;
- potential benefits for Australia arising from the “demonstration” effects of a successful project.

(b) the nature and extent of consequential improvements to telecommunications services, particularly high bandwidth services, in regional communities targeted by the project.

All applicants will need to identify how their projects will improve telecommunications services to the broader community. In identifying the nature and extent of improvements to telecommunications services, applicants should discuss:

- how the project will improve the delivery of high bandwidth services to the targeted region(s);
- how the project will increase access to a range of services and delivery mechanisms;
- the likely impacts on telecommunications within the targeted communities, including improvements in sustainable competition;
- regional development implications; and
- any other spin-off benefits.

(c) the degree to which the project is consistent with overall directions in education and/or health and with other regional telecommunications initiatives.

Applicants should indicate the degree to which the project is consistent with overall national and/or State/Territory strategies and directions in education and/or health and with other regional telecommunications initiatives, and does not duplicate those.

Key national strategies and directions in education information management are:

- *Learning for the Knowledge Society, an education and training action plan for the information economy*;
- the Education Network Australia (EdNA Online) technical standards project;
- the Vocational Education and Training (VET) Preferred Standards project; and the Schools Online Curriculum Content Initiative (SOCCI).

Further information on these initiatives may be found at

<http://www.detya.gov.au/edu/edactplan.htm>, <http://standards.edna.edu.au/>, socci.edna.edu.au/ and www.flexiblelearning.net.au/standards/navigation/home.shtml.

Key national strategies and directions in health information management are:

- *Health Online: A Health Information Action Plan for Australia*;
- *HealthConnect*; and
- *Setting the Standards: A National Health Information Standards Plan for Australia*.

More information on these strategies can be found at:

www.health.gov.au/healthonline/index.htm

State/Territory Government agencies will need to identify their current strategic priorities. Projects should be developed in accordance with those strategic priorities.

Where applicants are not State/Territory Government agencies, the applicants should indicate the extent to which they have consulted with relevant agencies in developing their application.

(d) the degree to which the project demonstrates and/or develops Australian Information and Communications Technology (ICT) capabilities to deliver education and/or health products, services and information

Applicants should outline the degree to which their proposal will contribute to the development of Australian ICT capabilities in education and/or health service delivery.

Applicants should detail the extent of participation by Australian ICT businesses and how their participation will deliver strategic benefits to them.

4. The reason NCF funding is required for the project to proceed.

Applicants should outline the key reasons why NCF funding support is required for their project. Applicants should state whether the project would proceed without NCF funding, and why other sources of government funding are not appropriate for the project.

Where funding is being sought to enhance or expand an existing initiative, applicants should clearly outline the new activities which will be fostered and the additional benefits that will result from NCF funding.

5. The extent to which the Commonwealth's funding will be leveraged by support from private, government and other sources.

Applicants should specify the contributions they are proposing to make, and compare the contributions with the funding they are seeking. Contributions may be a combination of cash and in-kind. Where in-kind contributions are proposed they should be at demonstrable market rates and/or on an at cost basis.

If applicants propose using existing infrastructure or facilities they cannot claim past contributions towards establishing that infrastructure or facilities as a contribution for the purposes of the NCF. Applicants may claim as a contribution the revenue that they may be foregoing by making capacity available for the purposes of an NCF project. In this situation applicants must demonstrate that there is likely to have been commercial demand for the capacity.

Please note inflated estimates of the value of in-kind contributions will limit the credibility and competitiveness of any application making such claims.

Proposals should specify the precise nature and value of contributions to be provided by each key organisation and individual to the project. Contributions from organisations other than the applicant should be confirmed in writing and be included with the application.

Proposals should also outline whether the applicant has submitted, or intends to submit, a request for funding for the project from another Commonwealth or State/Territory Government initiative.

State/Territory Government agencies will be required to provide funds equal to the NCF grant being sought. State/Territory agencies may provide cash and in-kind contributions, sourced from their own funds or from commercial partners. Contributions can be staged over the life of the project and could include funding for recurrent costs after the NCF grant ceases. State/Territory agencies may use funding already allocated to education and/or health projects in their agency budget. In this situation the NCF funding should be used to enhance or expand the project(s) for which the funding has been allocated.

Where State/Territory agencies seek to use existing funding, they should provide details of the projects for which the funding was allocated, how the projects will be enhanced or expanded, and what additional benefits will be achieved through the addition of NCF funding.

6. The degree to which the project is sustainable after NCF funding ceases.

In addressing this criterion applicants should provide their longer term strategy for the project, including:

- the sustainability of the project after the cessation of NCF funding;
- how the applicant will promote the project's long-term sustainability after NCF funding ceases (for example, user charges);
- the marketing strategy for the project; and
- the strategy for developing and upgrading the project.

Applicants should note that the NCF will fund recurrent costs only on a declining basis. Accordingly, applicants should make provision for alternative funding for their operations during the period of the NCF grant.

7. The quality of the project plan, management strategy and financial plan.

Project plan

Applicants should provide a comprehensive description of the implementation plan for the project. This strategy should contain the following information as appropriate:

- proposed technology(ies) and bandwidth, and the capacity of the technological solution to meet the project requirements;
- proposed network topology, protocols and architecture;
- details of proposed applications and/or content;
- details of project services, including strategy for ensuring services adhere to relevant standards;
- the plan for deployment outlining the stages for implementing the project;

- approach to dealing with issues such as network security and relevant Australian legislation and/or regulation;
- implementation timeline; and
- performance indicators and milestones for the project.

Management strategy

Applications should outline the proposed approach to managing the project. They should include the following information:

- whether the project will be managed as a commercial operation or on some other basis;
- how the services will be delivered;
- what strategies are in place to ensure that services will meet user needs; and
- how the proposed services will be marketed to users in the community and/or to sectoral agencies, to ensure broad uptake.

Both the project plan and the management strategy should identify possible risks to implementation and continuation and the strategies for dealing with these risks.

Financial plan

Proposals must include a financial plan which outlines the financial strategy for the project. This plan should contain:

- the total budget for the project, including the projected cash flow, expenditure and income;
- a clear statement of all funding sources (including private sector, Commonwealth, State/Territory and local Governments);
- a clear statement of all cash and in-kind contributions being made by the applicant and/or other members of the consortium;
- proposed breakdown of funding over the life of the project;
- approach to meeting recurrent costs over the life of the project; and
- any key assumptions on which the financial plan is contingent.

8. The quality of expertise and experience of the proposed management team with regard to establishing and managing the project.

Proposals should demonstrate that the implementation and ongoing management of the project will be carried out by a management team with the appropriate combination of skills, expertise and experience.

While a range of both managerial and technical skills and expertise will be required to establish projects, the following range of skills and/or experience would be considered highly desirable depending on the nature of the project:

- demonstrated project management skills, particularly, experience in implementing large scale projects;
- demonstrated experience in managing telecommunications networks;
- demonstrated skills and experience in the operational issues of the specific education and/or health services targeted by the project;
- demonstrated experience in the financial management of large scale projects;
- knowledge of regional telecommunications issues;
- knowledge of the key issues associated with the online delivery of education and/or health services; and
- high level interpersonal skills.

The skills required for the implementation and ongoing management of the projects may differ and, therefore, it may be appropriate for the project to have two separate teams for these aspects.

Where possible, proposals should identify key members of the project management team, and include a brief CV (maximum of two pages and including the names of two relevant referees) for each key member.

Where the project is co-located with an existing organisation with the manager or management team shared between two facilities, the proposal must make clear the percentage of the manager's/management team's time that will be devoted to the development and management of the project.

9. The nature and range of organisations involved in the project and their capacity to contribute to project outcomes.

Applicants should provide details of each organisation and individual involved in the project. They should also clearly and succinctly specify the roles and responsibilities of these organisations and individuals in the project, and how they will contribute to the project outcomes. Applicants should also provide an outline of the proposed organisational, decision-making and reporting arrangements to be put in place to achieve the objective(s) of the project. Please provide a diagrammatic representation of the proposed organisational structure.

Applicants should outline the role each project partner has in establishing, maintaining and contributing to the project. These roles could include:

- delivering or receiving education and/or health services; and/or
- providing, installing and/or managing project infrastructure or services; and/or
- providing education and/or health content and applications to be delivered through the project.

Applicants should provide evidence (for example, letters of agreement) of any linkages with other organisations and individuals already established. Where linkages are yet to be finalised, please provide details of negotiations and contact name(s).