



## Regional Airports Screening Infrastructure Program – Frequently Asked Questions

The objective of the Regional Airports Screening Infrastructure (RASI) program is to reduce the extent of costs to airports associated with the upfront capital and initial operation of enhanced security screening equipment and requirements being passed on to passengers and other airport users through screening charges to airlines.

This grant opportunity follows the \$50.1 million Regional Airport Security Screening Fund (GO1551) which is providing a contribution towards the purchase of necessary security screening equipment. The RASSF closed on 21 March 2019 to new applicants.

Regional airports with RASSF grant agreements offered or in place can apply for RASI support to meet the reasonable cost of the necessary minimum capital works associated with accommodating the enhanced regional airport security equipment, and assist with operating costs related to the screening equipment for an agreed period.

**Applications for RASI close 17:00 AEST on 28 August 2020.**

### FAQs

#### Am I eligible?

To be eligible you must operate an existing regional airport with a signed grant agreement under the Regional Airport Security Screening Fund (GO1551), or have been offered a grant agreement under GO1551, and satisfy the additional eligibility criteria under section 4 of the Grant Guidelines.

#### Why do I have to have a RASSF grant agreement to apply for RASI?

The RASSF program is providing funding to regional airports that must upgrade their security screening equipment, or commence screening, per requirements from the Department of Home Affairs.

The RASI program intends to ease the cost burden for modifying airports to accommodate this equipment, and to operate the screening points for a period of time, on the condition those costs are not passed on to airport users.

#### What can I seek grant funding for?

Grant funds are available to support the minimum necessary capital works needed to accommodate the enhanced security screening equipment, and for initial operations. The potential eligible costs for both types of costs are outlined in the grant guidelines, and may vary depending on the individual circumstances of each airport.

### How do I know what the 'minimum necessary' capital works are?

For the avoidance of doubt, the RASI program is not designed to provide funding assistance for broader airport redevelopment. The 'minimum necessary' works is intended to reflect the direct work required to bring into operation the enhanced security screening equipment in a safe and compliant manner. What is considered 'minimum necessary' will vary according to the circumstances of individual airports.

If your airport is already undertaking broader works that includes constructing, or otherwise modifying, a screening point to accommodate enhanced security screening equipment, those works and costs directly relevant to the screening point must be isolated for the purposes of applying for RASI funding.

You may contact the Department at [airportscreening@infrastructure.gov.au](mailto:airportscreening@infrastructure.gov.au) to discuss your specific circumstances.

The Program Delegate will decide what is considered directly related capital works eligible for funding under RASI, on the basis of evidence provided by airport operators and third party advice as required.

### Can RASI assist my airport with costs related to purchasing the security equipment?

No. The RASSF program is the Australian Government's contribution to assisting airports purchase the required security screening equipment.

### If I have already undertaken the works to accommodate the new security screening requirements, can I still seek funding?

Yes, with evidence of costs incurred and advice on how costs directly related to the works needed to construct or modify screening points have been isolated or otherwise determined.

### What do I do if I can't arrange formal quotes before applications are due?

The Department recognises some airports may be unable to obtain firm costs for the entire scope of their proposed project in the time available. The Department will accept estimated costs based on planning to date for the purposes of the application, and an outline of the likely timeframe to formalise the cost of the works. The grant agreement will include provisions for managing costs where the actual costs vary significantly from the estimate.

### What format do I provide all this information in?

The grant guidelines outline the mandatory supporting documentation but allow sufficient flexibility for you to provide the information in a format that works best for your airport and circumstances, commensurate with the size and risk of your project.

The Department's assessment will be assisted if the information is well organised, with a level of complexity commensurate with the extent and cost of proposed works.

### What do operating costs refer to?

Initial operating costs related to the enhanced screening equipment. For the avoidance of doubt, the RASI program is not designed to assist with broader airport running costs beyond the screening point.

Operating costs may include costs such as staffing, maintenance, insurance, cleaning and other costs directly incurred in running the screening point. Electricity costs and other indirect costs may be apportioned where there is a sufficient nexus with running the screening point.

#### What does a 'typical year' mean for operating costs?

The Department recognises the significant shocks to aviation patronage and operations in response to the COVID-19 pandemic. It is not realistic to model operating costs in the current aviation environment.

RASI has been designed so airports can put forward their expected operating costs that would be incurred during a 'normal' or 'typical' year, more akin to a pre-COVID level of patronage. This is a subjective determination based on the circumstances of individual airports, and has been designed to allow flexibility.

The Department will assess the airport's information, and use historic departing passenger numbers between 2015 and 2019 to assist in determining reasonableness of an airport's assessment of a typical year.

#### What are the grant amounts?

The total funding available is \$66 million. As a guide, \$46 million of funding is notionally allocated to capital works, and \$20 million allocated to operating costs.

For estimated capital costs below \$1 million, the grant opportunity may fund up to 100 per cent of eligible costs. For costs above, the grant opportunity may provide a contribution towards eligible costs of less than 100 per cent.

For operating costs, there is no maximum grant; however, total capital and operating costs cannot exceed the overall funding available.

The Program Delegate will make decisions for distribution of funds considering the total funding available and the requirements of all eligible airports. The grant guidelines provide further information on the Program Delegate.

#### Why do I have to change my security screening charging arrangements?

These Grant Guidelines do not impose any new costs or regulatory requirements; however, they may assist airports with capital and initial operating costs incurred in meeting enhanced security screening requirements, and support regional aviation in Australia. Any portion of capital and operating costs met from Australian Government funding must not be included in the airport's calculation of its cost recovery regime for security charges, and must not be passed on to airport users per the program's objective.

#### What evidence do you require that I have ceased passing on relevant costs?

This is up to each individual airport. The grant agreement for successful applicants will include provisions for airports to undertake not to pass on those grant funded costs in security charges to airport users. Should costs be passed on, this would be considered a breach of the grant agreement and the Commonwealth would seek to recover the funds.

### How do I commit to not pass on grant funded costs when bound by existing contracts or other arrangements?

This is a commercial decision for each airport. The Department will consider each airport's preferred method for ensuring grant-funded costs are not passed on to airport users, whether it involves modifying existing arrangements or an alternate method.

### What is the grant agreement?

If your application is successful, a grant agreement is entered into with the Department for the duration of the grant. This agreement governs your relationship with the Department for the grant, including the obligations of both parties.

For lower risk grants, the Department may elect for a simple agreement letter format.

### How long will it take to receive funding?

Your application must be submitted by the closing dates. We will acknowledge receipt of your application within one business day. Your application will then be assessed for eligibility, at which point the Department will advise whether your application has been accepted.

The Department will assess all applications received and the Program Delegate will then decide the level of funding support to be awarded to each eligible applicant in accordance with the grant guidelines.

Once successful, a draft funding agreement will then be provided, with the payment of funding dependent on the timing of the capital works. Funding will not commence until a signed funding agreement is in place.

### How long will the program run for?

Funding is available for the 2020-21 financial year.

### Do I need to pay back any grant funding?

As this funding is a grant, you do not have to repay the funding received under this Program, as long as grant funding is used for eligible expenses and acquitted in line with the grant agreement.

### Will a grant affect my tax?

Yes. Grants are assessable income for taxation purposes, unless exempted by taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the Australian Taxation Office. We are unable to provide taxation advice.

### How do I apply?

Complete the application form and supply all required supporting documents as outlined in the Grant Guidelines. When complete, email your application to the RASI team at [airportscreening@infrastructure.gov.au](mailto:airportscreening@infrastructure.gov.au), or mail in accordance with the [instructions in the Grant Guidelines](#).

Who can I contact if I am having difficulties accessing the application form?

Please email your questions to [airportscreening@infrastructure.gov.au](mailto:airportscreening@infrastructure.gov.au)

### Additional information

For more information please refer to the grant guidelines available via the GrantConnect website: [www.grants.gov.au](http://www.grants.gov.au)