



Innovation Vouchers Program

2020

Applicant Guidelines

Assisting WA SMEs to improve their capability
and commercialise their innovations

CONTENTS

| | | |
|--|-------|------------|
| PROGRAM OVERVIEW | | p.2 |
| <ul style="list-style-type: none">• About the program• Funding | | |
| AM I ELIGIBLE? | | p.3 |
| <ul style="list-style-type: none">• Step 1 – Applicant eligibility• Step 2 – Eligible expenditure• Step 3 – Service Provider eligibility | | |
| HOW TO APPLY | | p.6 |
| <ul style="list-style-type: none">• Addressing the evaluation criteria• Other criteria• Judging panel• Outcome communication and feedback | | |
| CONDITIONS AND OBLIGATIONS | | p.7 |
| <ul style="list-style-type: none">• For recipients• Disclaimers | | |

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PROGRAM OVERVIEW

ABOUT THE PROGRAM

The Innovation Vouchers Program is a competitive WA Government grant program. It helps small to medium enterprises (SMEs) to improve their capability and commercialise their ideas/innovations, by collaborating with research a provider or engaging a specialist support service.

The program awards grants to SMEs that help them to:

- develop or enhance products or services that are commercially-ready;
- develop prototypes, processes or systems to attract additional investment; and/or
- address a technical problem that the SME cannot solve themselves, or for which the solution is not readily available.

FUNDING

A maximum of \$20,000 per application is available. Recipients are required to provide a net cash co-investment of at least 20:80 applicant to State Government funding.¹

Funds are available for one financial year, from 1 July 2020 to 30 June 2021.

Prior to receiving funds, recipients must enter into a Financial Assistance Agreement with the Department (see Conditions and Obligations, p.9). This agreement will allow for expenditure which has occurred between 8 April 2020 and 30 June 2021.

¹ All co-investment items may be subject to an independent audit.

AM I ELIGIBLE?

STEP 1 – APPLICANT ELIGIBILITY

| CRITERIA | HELP / TIPS |
|--|--|
| <input type="checkbox"/> You are developing an innovation or innovative idea. | <ul style="list-style-type: none"> • 'Innovation' is defined as improvements in technology, products, services or business operations that lead to distinct competitive advantage or productivity gain. |
| <input type="checkbox"/> You are a WA-based small-to-medium enterprise (SME) that employs between one and 200 people. | <ul style="list-style-type: none"> • Includes sole traders, private sector firms, partnerships and non-profit entities. |
| <input type="checkbox"/> Your business has a current Australian Business Number (ABN) and/or Australian Company Number (ACN). | |
| <input type="checkbox"/> Your business is registered in WA and will continue to be based in WA for three years. | |
| <input type="checkbox"/> You are developing your idea or innovation in WA. | |
| <input type="checkbox"/> Your business would contribute a net cash co-investment of at least 20:80 of applicant to State Government funding. | <ul style="list-style-type: none"> • If the funding request is the maximum \$20,000, then your cash contribution must be \$5000 (or more). If the quotation is for more than \$25,000, then you must commit in the application form to paying the difference over \$20,000. |

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| <p><input type="checkbox"/> You have NOT received, and are unlikely to receive, other WA Government funding for the same project/initiative.</p> | <ul style="list-style-type: none"> • Applicants and the innovation are only eligible for <u>one</u> Innovation Voucher per project. |
| <p><input type="checkbox"/> Submit your application before the closing time of 11am, Wednesday 8 April 2020.</p> | <ul style="list-style-type: none"> • We recommend submitting your application ahead of time to avoid unexpected delays with the grants program. You can still edit submitted applications up until the closing time. • Late applications or changes to applications are NOT accepted after the closing time. • Submit only the permitted supporting documentation requested with the application form. Other attachments will be disregarded. |

STEP 2 – ELIGIBLE EXPENDITURE

| CRITERIA | HELP / TIPS |
|---|---|
| <p><input type="checkbox"/> The items I am requesting funding for fall into one of the following four categories:</p> <ol style="list-style-type: none"> 1. Research and Development <ul style="list-style-type: none"> – technical development – compliance testing – proof of concept – product testing and validation – laboratory verification – certification 2. Product Development <ul style="list-style-type: none"> – engineering design work – prototype development – innovation design <p style="text-align: right;"><i>cont.</i></p> | <p>The following are NOT eligible expenditure for the program:</p> <ul style="list-style-type: none"> • training courses; • salaries of existing staff; • hardware and software purchases; • business and strategic planning; • design and production of marketing or promotional materials or events (unless it can be demonstrated that this expenditure is focused on the commercialisation pathway); • website development; • maintenance and upkeep of facilities; and • any other general business / operational / business planning activities that are usual requirement of a business. |

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| <p>3. Technology Transfer and Intellectual Property</p> <ul style="list-style-type: none"> - protection of intellectual property - legal advice - licensing <p>4. Commercialisation Support Services</p> <ul style="list-style-type: none"> - innovation management and consulting - commercialisation strategies (including marketing strategies to support market entry) - commercialisation feasibility studies | |
| <p><input type="checkbox"/> Your funding request in your application equals the estimated project cost in your Service Provider quotation (excl. GST).</p> | <ul style="list-style-type: none"> • For example – if the project costs \$25,250 including GST (as quoted by your Service Provider), then your funding request must be for \$25,000 (i.e. excluding \$250 GST). |
| <p><input type="checkbox"/> Confirm that you will pay:</p> <ul style="list-style-type: none"> - your 20% cash co-contribution to the project cost; - any GST; and - any additional funds required. | <ul style="list-style-type: none"> • For example, if you request the maximum \$20,000 in funding, you need to commit a cash co-contribution of \$5000 <u>or more</u>. • If your Service Provider quotation is for more than \$25,000, you must commit to pay the difference over \$20,000 by detailing this amount in the application form. • In-kind contributions are not eligible for co-investment. |
| <p><input type="checkbox"/> Work on the project will commence on or after 8 April 2020 – 30 June 2021. A Financial Assistance Agreement (FAA) must be signed prior to claiming any expenditure</p> | <ul style="list-style-type: none"> • Retrospective funding for work that has occurred between 8 April, and the FAA being signed, is eligible. Funds must be expended by 30 June 2021. |

STEP 3 – SERVICE PROVIDER ELIGIBILITY

| CRITERIA | HELP / TIPS |
|---|--|
| <input type="checkbox"/> Your Service Provider can be a publicly-funded, not-for-profit or privately-owned enterprise, e.g.: <ul style="list-style-type: none"> – private sector firms – private sector research organisations – universities – vocational education and training organisations – ChemCentre | |
| <input type="checkbox"/> Your Service Provider is based in Western Australia (PREFERRED). | <ul style="list-style-type: none"> • Whilst it is preferred that the Service Provider is based in Western Australia, it is understood that this is not always possible – e.g. if the required service is not available in WA. • If you need to engage a Service Provider from interstate or overseas, you will be asked to include an explanation in your application form. |
| <input type="checkbox"/> Your Service Provider provides a quotation for the project. | <p>Quotation must include:</p> <ul style="list-style-type: none"> • Service Provider name, contact person, contact details, ABN/ACN; • Detailed description of the service to be provided, including key activities and milestone dates; • Estimated number of project hours; • Estimated cost; and • A payment schedule (i.e. timing for when you are expected to pay your Service Provider). |
| <input type="checkbox"/> Your Service Provider is an independent third party (i.e. has no financial or other ties to your company). | <ul style="list-style-type: none"> • To confirm this, your Service Provider must include and sign the following statement in their quotation: |

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|--|--|
| | <p><i>“This is to confirm that <u>[Service Provider Company Name]</u> is an independent third party, and that <u>[Service Provider Company Name]</u> has no direct connection or relationship with <u>[Applicant Company Name]</u>.”</i></p> |
|--|--|

HOW TO APPLY

Applying for an Innovation Voucher is a one-stage competitive process involving a written application.

Applications open 9am 24 Feb 2020 and close at 11am 8 April 2020 (newly extended) via the [online grant platform](#). Ensure you have received an email confirming that your application was submitted.

ADDRESSING THE EVALUATION CRITERIA

If your application is found eligible, it is evaluated against the following criteria. For a competitive application, address these criteria **as clearly as possible** and **use concrete evidence where possible**.

| | |
|---|---|
| <p>1. NEED</p> | <p>Demonstrate:</p> <ul style="list-style-type: none"> - how your innovation provides a competitive solution to a market need in Western Australia; and - how you would use the WA Government funds to advance your innovation. |
| <p>2. LEVEL OF IMPACT / CHANGE</p> | <p>Demonstrate the impact that WA Government funding for your innovation will have on:</p> <ul style="list-style-type: none"> - generating job creation and economic diversification benefits for Western Australia; and - delivering tangible benefits for industry and end-users. |
| <p>3. CAPABILITY AND CAPACITY</p> | <p>Demonstrate that you have the capability and capacity to use the specialist service outcomes to advance your innovation.</p> |
| <p>4. COMPETITIVE ADVANTAGE</p> | <p>Demonstrate that your innovation has a competitive advantage in its market, i.e. through differentiation:</p> <ul style="list-style-type: none"> - cost benefits; - product features; - delivery; and - any other unique features. |
| <p>5. COLLABORATION</p> | <p>Demonstrate:</p> <ul style="list-style-type: none"> - that you need to access a specialist Service Provider; and - how collaborating with your chosen Service Provider would meet this need. |

OTHER CRITERIA

In addition to the evaluation criteria, applications are assessed based on their alignment with:

- the objectives of the New Industries Fund to:
 - stimulate the WA SME sector through the support of innovation initiatives;
 - decrease the commercialisation gap;
 - activate industry-government-research collaborations;
 - increase research and development (R&D) investment into Western Australia; and
 - promote job creation and economic diversification in Western Australia;
- current WA Government and JTSI priorities, policies and initiatives for innovation;
- the level of funding sought by the applicant compared to how the application meets these criteria.

JUDGING PANEL

JTSI engages an independent Judging Panel to evaluate applications based on the above criteria, and to make recommendations for funding. To assist with their decision, the panel may seek advice from individuals with expertise in the area/s under consideration. They may also request additional evidence to support claims against the evaluation criteria.

The final approval for applicant funding lies with the Minister for Innovation and ICT.

The deliberations of the Judging Panel and all related information and material are strictly confidential, subject to the requirements of the *Freedom of Information Act 1992* (see Conditions and Obligations, p.8).

OUTCOME COMMUNICATIONS AND FEEDBACK

You will be notified by email of the outcome of your application **by early June 2020**. Successful applicants are publically announced by the Minister for Innovation and ICT in June 2020. As part of this and other media, the Department may disclose selected high level details to the public, such as business suburb and postcode. Recipients agree to this as part of their Financial Assistance Agreement with the Department.

The decision on recipients is final and no further correspondence will be entered into.

Due to confidentiality, feedback cannot be provided on the judging panel's deliberations. However if you wish to receive feedback on whether your application was eligible, please contact us at innovation@jtsi.wa.gov.au.

CONDITIONS AND OBLIGATIONS

1. Enter into a Financial Assistance Agreement with the Department of Jobs, Tourism, Science and Innovation (JTSI).

Recipients of funding under the IVP are required to enter into a written Financial Assistance Agreement with the Department of Jobs, Tourism, Science and Innovation (JTSI), who administers the program. No rights to financial assistance accrue until such time as the grant agreement has been entered into by the relevant parties.²

The Financial Assistance Agreement outlines the terms and conditions under which JTSI provides financial support, including project performance, publicity and reporting issues. JTSI specifies the conditions and obligations of funding prior to the disbursement of any funds.

Businesses recommended for funding may be required to provide more detailed information about their business. Applications may be subject to due diligence, technical, financial and economic appraisals.

2. Participate in post funding reviews.

All financial support provided by JTSI under this program is subject to a post funding review. Recipients must make themselves available to participate in surveys conducted by JTSI up to 2 years after the funding ceases. Surveys are generally 10mins long and seek feedback on inputs, activities, results, usage and impacts related to the voucher funding.

3. Co-contribution towards voucher funds.

Financial assistance for recipients will cover 80% of the total eligible costs up to a maximum of \$20,000. Recipients are required to pay the remaining 20% of total eligible costs.

4. Funding availability.

Funding is available to successful applicants from 1 July 2020 (or the execution date of the Financial Assistance Agreement) to 30 June 2021.

5. Claiming funds.

To claim funds, recipients must provide JTSI with a tax invoice for the GST-exclusive (i.e. no GST included) value of the Grant. The Department provides templates to assist with this.

Payments to successful applicants are via electronic funds transfer (EFT) as a reimbursement on the presentation of a claim and written evidence, to the satisfaction of JTSI, that the requirements under the Financial Assistance Agreement **have been delivered and paid for**. This includes evidence that the recipient has paid the Service Provider their contribution towards the provision of the specialist service.

6. GST excluded.

The Department does not regard grants under the Innovation Vouchers Program as payment for a supply. Thus, the Department does not increase the grant to include GST, nor does it reimburse a Grant Recipient for GST paid or payable to a third party.

² JTSI reserves the right to check the financial stability of all selected applicants before Financial Assistance Agreements are finalised.

7. Service Provider.

The Financial Assistance Agreement is between JTSI and the successful applicant. The service provider shall have no contractual, legal or equitable rights against JTSI.

8. Conflicts of interest.

Applicants are required to disclose any information that might be relevant to an actual, likely or potential conflict of interest.

9. Release of confidential information.

The content of all unsuccessful applications will remain strictly confidential. Shortlisted and winning ideas may be promoted in a way which retains the commercial integrity of the project in the public domain.

JTSI is subject to the *Freedom of Information Act 1992*, which provides a general right of access to records held by Western Australian State and Local Government agencies. Under this act, applicants should be aware that information pertaining to the receipt of State Government financial support may be tabled in the Western Australian Parliament. This information could include names of recipients, the amounts of financial support, the name of the project/activity and, possibly, a brief description thereof. This could result in requests for more detail to be released publicly.

Further information on the operation of the *Freedom of Information Act 1992* can be obtained from the department's website.

10. Media and promotions.

Voucher recipients are requested to provide contact details, including a name, phone number and email address, to be shared for media and promotional purposes.

DISCLAIMERS

The provision of financial assistance under the State Government's New Industries Fund is at the absolute discretion of the Minister for Innovation. Nothing in the application process, the selection process or any associated documentation shall give rise to any:

- (a) legal relations or any process or other contract between the Minister or the State Government on the one hand and the applicant on the other; or
- (b) legitimate expectations on the part of the applicant.