



Innovation Vouchers Program

2019

Guidelines for Applicants

Assisting WA SMEs improve their capability
and commercialise their innovations

INTRODUCTION

PURPOSE OF THIS GUIDE

The Innovation Vouchers Program Guidelines for Applicants (Guidelines) are to be used as a reference guide when applying for the program.

Applicants to the Innovation Vouchers Program (IVP) should read these Guidelines before completing their IVP Application.

OVERVIEW OF THE INNOVATION VOUCHERS PROGRAM

The IVP is a competitive grant program established by the Western Australian Government with the aim of enabling small to medium enterprises (SMEs) to improve their capability and commercialise their ideas/innovations through accessing and establishing collaborative relationships with research providers and/or specialist commercialisation support services.

Objectives

In accordance with the New Industries Fund, the objectives of the IVP are 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.

The purpose of the IVP is to:

- assist in the development of new or enhanced commercially-ready products or services;
- establish prototypes, processes or systems to attract additional investment;
- address a particular technical problem that cannot be solved by the applicant, or for which the solution is not readily available.

Level of funding support

The level of funding support available under the IVP is up to a maximum of \$20,000 per application over 12 months. Recipients will need to provide a net cash co-investment of matched funds at a rate no less than 20:80 of applicant to State Government funding.

Where funding is allocated it will be on a competitive basis to those applicants clearly demonstrating that they meet the evaluation criteria.

State Government funding provided under the IVP is intended to support SMEs to access professional skills, services or knowledge that will enable these entities to advance an innovation or commercialisation activity in Western Australia. Collaboration with research/academia is encouraged.

ELIGIBILITY CRITERIA

APPLICANT ELIGIBILITY

The IVP supports activities that have strategic merit consistent with current State Government priorities, policies, programs and other initiatives contained within the New Industries Fund.

In order to be considered eligible, and to be included in the evaluation process, an application **must** be received by the closing date and time and meet the following criteria:

- The applicant must:
 - Have an Australian Business Number (ABN) and/or Australian Company Number (ACN) with the business registered in Western Australia;
 - Be developing their innovation in Western Australia;
 - Have their business continue to be based in Western Australia during the next three years;
 - Be a solvent Western Australian based SME that employs less than 200 people (including sole traders, private sector firms, partnerships and non-profit entities);
 - Have evidence of a net cash co-investment of matched funds at a rate no less than 20:80 of applicant to State Government funding. All co-investment items may be subject to an independent audit.
Note: State Government department resources cannot be leveraged against the program unless prior written agreement from the Minister for Innovation is obtained.
 - Not have received, nor is likely to receive, other State Government funding for the same project/initiative.
- Items requested for funding must fall into one of the following categories (refer 'Eligible Expenditure' for further details):
 - Research and development
 - Product development
 - Technology transfer and intellectual property
 - Commercialisation support services
- Eligible expenditure must be incurred on or after the date the Financial Assistance Agreement is executed, and expended by 30 June 2020.
- Service Provider(s) must be an independent third party.
- Applicants (entity applying) and the innovation are only eligible for one Innovation Voucher.

ELIGIBLE EXPENDITURE

Applications to the IVP must fall under one of the following eligible expenditure categories:

- Research and Development
 - technical development
 - compliance testing
 - proof of concept
 - product testing and validation
 - laboratory verification
 - certification
- Product Development
 - engineering design work
 - prototype development
 - innovation design
- Technology Transfer and Intellectual Property
 - protection of intellectual property
 - legal advice
 - licensing
- Commercialisation Support Services
 - innovation management and consulting
 - commercialisation strategies (including marketing strategies, which supports market entry)
 - commercialisation feasibility studies

Funding cannot be spent on general business/operational/business planning activities that are usual requirements of a business. These activities include:

- 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 or
- maintenance and upkeep of facilities

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.

FUNDING SUMMARY- SERVICE PROVIDER ENGAGEMENT

One of the aims of the IVP is to catalyse new relationships between companies and service providers or to move tentative collaborations into a productive relationship.

Financial assistance of up to \$20,000 is available to eligible SMEs to access professional skills, services or knowledge to enable them to advance their innovation or commercialisation activity in Western Australia.

Service Provider(s) can be publicly funded, not-for-profit enterprises or privately owned including:

- private sector firms
- private sector research organisations
- universities
- vocational education and training organisations
- ChemCentre

Eligible SMEs can access professional skills, services or knowledge by engaging up to two service providers. The services accessed must fall under the same eligible expenditure category that applicants indicate on their application. Applicants can use up to two of the listed sub-categories under one category, but they cannot use two service providers for the same sub-category.

E.g. An applicant identifies Product Development as their eligible expenditure category. They can use one quotation from a service provider for engineering design work and one for innovation design. However, they cannot use quotations from two separate service providers both for innovation design.

The Applicant–Service Provider Relationship

The Applicant and Service Provider(s) must be entirely separate entities, with no financial or other ties. That is, the company and the Service Provider(s) cannot be owned by the same parent company, share governance or have common directors.

IVP applicants are required to include a declaration from their chosen Service Provider(s) that they (the Service Provider(s)) are an independent third party.

Whilst it is preferred that the Service Provider(s) is based in Western Australia, it is understood that this is not always possible. If an applicant needs to engage a service provider(s) from interstate or overseas a detailed explanation must be included in the online application form (i.e. the service the applicant requires is not available in WA).

EVALUATION CRITERIA

Eligible applications will be evaluated against the following criteria:

- **Need:**
 - The applicant demonstrates how the innovation provides a competitive solution to a market need in Western Australia.
 - The applicant demonstrates how State Government funds will be used to advance the idea/innovation.
- **Level of Impact/Change:** The impact that State Government funds will have on:
 - Generating job creation and economic diversification benefits for Western Australia.

- Delivering tangible benefits for industry and end-users.
- **Capability and Capacity:** that the applicant has the capability and capacity to use the specialist service outcomes to advance their idea/innovation.
- **Competitive Advantage:** the proposed idea/innovation has a competitive advantage in their market (ie through differentiation – cost benefits, product features, delivery and any other unique features).
- **Collaboration:** that the applicant demonstrates the need to access a specialist service provider(s) and the collaboration between the applicant and the specialist service provider(s) matches the need of the applicant to advance their idea/innovation.

APPLICATION, EVALUATION & CONDITIONS OF FUNDING

APPLICATION PROCESS

The IVP application is a one-stage competitive process involving a written application.

Application is via the [IVP grant platform](#)

Applications open 9am 27 February 2019 and close at 11am 29 March 2019.

The IVP Guidelines and link to the online Application Form are available at www.newindustries.wa.gov.au

The Application Form via the IVP grant platform allows for attachments and details the documentation you are required to supply. Permissible attachments include:

- **Up to two pictures or diagrams of your innovation**
- **Organisation / team structure chart**
- **Written quotation from the Service Provider(s)**
- **Independent third party declaration from the Service Provider(s) (can be incorporated into quotation)**
- **Any relevant intellectual property documentation**

Late applications or changes to applications will not be accepted after the closing time. Submit only the permitted supporting documentation requested with the application form. Do not submit any other supporting documentation as it will not be used in the evaluation of the applications.

All applicants will be notified via email as to the outcome of their application.

For all enquiries regarding the IVP contact the Program Manager at innovationvouchers@jtsi.wa.gov.au.

DECISION MAKING PROCESS

JTSI will establish an independent Evaluation Panel to evaluate and make recommendations on proposals. To assist in the evaluation of proposals, the independent Evaluation Panel may seek advice from individuals with expertise in the area/s under consideration.

Evaluation of applications will be determined by the application's alignment with:

- the objectives contained in these Guidelines;
- State Government priorities for innovation;
- JTSI's administered policies, programs, plans and directions; and
- the IVP evaluation criteria.

Applications may also be subject to due diligence, technical, financial and economic appraisals. The evaluation will also consider the level of funding sought by the applicant compared to how the application meets these requirements.

The Evaluation Panel reserves the right to request additional evidence to support claims against the evaluation criteria to assist them in making their recommendations.

The deliberations of the Evaluation Panel and all related information and material will be kept strictly confidential, subject to the requirements of the *Freedom of Information Act 1992*.

The Evaluation Panel's decision is final and no further correspondence will be entered into.

CONDITIONS AND OBLIGATIONS FOR FUNDING

The program will be administered through 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 JTSI specifying the conditions and obligations of funding prior to the disbursement of any funds. The Financial Assistance Agreement will outline the terms and conditions under which the financial support is provided, including project performance, publicity and reporting issues.

JTSI reserves the right to check the financial stability of all selected applicants before funding agreements are finalised.

No rights to financial assistance accrue until such time as the grant agreement has been entered into by the relevant parties.

All financial support provided by JTSI under this program is subject to a post funding review. To assist this process, proponents will make themselves available to participate in a survey conducted by JTSI. The survey will seek information pertaining to inputs, activities, results, usage and impacts related to the financial support.

PAYMENT TERMS

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

If the IVP funding request is the maximum \$20,000, the Applicant's cash contribution must be \$5000 or more. If the quotation is for more than \$25,000, the application is only eligible if the Applicant commits to paying the difference over \$20,000 (by detailing amounts in the application form).

The assistance will be paid in accordance with the terms and conditions of the Financial Assistance Agreement. The eligible expenditure must be incurred after the Financial Assistance Agreement is executed. Payment will be made to successful applicants via electronic funds transfer 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 to the service provider(s) their contribution towards the provision of the specialist service. In-kind contributions are not eligible for cost sharing. The agreement is between JTSI and the successful applicant. The service provider(s) shall have no contractual, legal or equitable rights against JTSI.

Successful applicants will have from the execution date of the Financial Assistance Agreement to 30 June 2020 to make a claim for payment.

AVAILABILITY OF FUNDING

The provision of financial support under this program shall be at the absolute discretion of the State Government and is subject to the availability of funds.

FREEDOM OF INFORMATION ACT 1992

Applicants are informed that 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.

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.

CONFLICT OF INTEREST

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

GST AND TAX INVOICE INFORMATION FOR APPLICANTS

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

Grant Recipients must provide the Department with a tax invoice for the GST exclusive value of the Grant. Payment will not be made until the Department receives a tax invoice.