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|  **JTSI - NIF - Colour**2022 Innovation Booster Grant Application Guidelines |
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| 2022 | IBG Application Guidelines |
|  | Assisting WA small businesses and startups improve their capability and commercialise their innovations. |

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Department of Jobs, Tourism, Science and Innovation

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# **Overview**

**ABOUT THE GRANT**

The Innovation Booster Grant (IBG) is a competitive Western Australian state government grant, funded through the New Industries Fund. It was formerly known as the ‘Innovation Vouchers Program’.

The IBG helps WA-based startups and small businesses improve their capability and commercialise their innovative ideas or projects, by collaborating with research service providers or engaging specialist support services.

The grant assists in:

* developing or enhancing products or services that are commercially ready, or to reach a commercial ready stage;
* developing prototypes, processes or systems that might attract additional investment and/or customers; and/or
* addressing a technical problem that the business 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-contribution of ***at least*** 20:80 applicant to WA state government funding.[[1]](#footnote-1)

For example, a project of $25,000 (total cost) would involve the recipient providing the minimum $5,000 themselves to supplement the $20,000 grant.

Funds are available for claiming between 1 July 2022 to 30 June 2023.

Prior to receiving funds, recipients must enter into a signed Financial Assistance Agreement with the Department (see Conditions and Obligations, p.11). This agreement must be executed (signed) before project work commences.

Recipients should note that funds are released by the Department following submitted evidence of work completed. Evidence of work completed includes Service Providers’ invoices and payment receipts.

# **Am I Eligible?**

**STEP 1 – applicant Eligibility**

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| **CRITERIA** | **HELP / TIPS** |
| ☐ Your business is registered in Western Australia and possesses a current Australian Business Number (ABN) and/or Australian Company Number (ACN). |  |
| ☐ You are developing an innovative project in Western Australia. |  |
| ☐ Your business will continue to be based in Western Australia in the next three years. |  |
| [ ]  You are a WA-based startup or small business that employs between one and 50 people. | * Includes sole traders, private sector firms, partnerships and non-profit entities.
 |
| [ ]  Your business is solvent. |  |
| ☐ Your business is willing, and has the financial capacity to contribute at least 20% of the requested project funding costs.  | * If the funding request is the maximum $20,000, then your cash contribution must be $5,000 (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.
 |
| [ ]  Your business confirms that the IBG will not be spent on operational expenses.  |  |
| [ ]  Your business confirms that its chosen service provider(s) is an independent third party. | * Up to three service providers are allowed.
 |
| ☐ Your business confirms that the requested eligible expenditure is for services to be provided in the future. | * Claims cannot be made for work already commenced or completed.
 |
| ☐ You have NOT previously received or likely to receive Western Australian state government funding for the same project/initiative. |  |
| [ ]  You have NOT previously received an Innovation Booster Grant (previously called Innovation Vouchers Program) for the same project/initiative. | * Applicants and the innovation are only eligible for one Innovation Booster Grant per project.
 |
| [ ]  Submit your application before the closing time of 11am AWST, Wednesday 20 April 2022.  | * **We recommend submitting your application ahead of time to avoid unexpected delays.** You can still edit submitted applications up until the closing time.
* Late applications or changes to applications are NOT accepted after the closing time. Applications can only be accepted via the online grant platform.
* Submit only the permitted supporting documentation requested with the application form. Other attachments will be disregarded.
 |

**STEP 2 – Eligible Expenditure**

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| **CRITERIA** | **HELP / TIPS** |
| [ ]  The items I am requesting funding for fall into **one** of the following four categories:1. Research and Development
* technical development
* compliance testing
* proof of concept
* product testing and validation
* laboratory verification
* certification
1. Product Development
* engineering design work
* prototype development
* innovation design
* building an MVP (minimum viable product)
1. Technology Transfer and Intellectual Property
* protection of intellectual property
* legal advice
* licensing
1. Commercialisation Support Services
* innovation management and consulting
* commercialisation strategies (including marketing strategies to support market entry)
* commercialisation feasibility studies
 | The following are NOT eligible expenditure:* training courses;
* salaries of existing staff;
* hardware and software purchases (for standard business purposes);
* 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);
* standard website development;
* maintenance and upkeep of facilities; and
* any other general business / operational / business planning activities that are usual requirements of a business.

  |
| [ ]  Your funding request in your application **equals the estimated project cost in your Service Provider quotation** **(excluding GST).** | * For example – if the project costs $27,500 including GST (as quoted by your Service Provider), then your funding request must be for $25,000 (i.e. excluding $2,500 GST).
* Recipients are responsible for the payment of GST, which is **not** eligible in funding claims to the Department.
 |
| [ ]  Confirm that you will pay:* your 20% cash co-contribution to the project cost;
* any GST; and
* any additional funds required.
 | * For example, if you request the maximum $20,000 in funding, you need to commit a cash co-contribution of $5000 or more.
* 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-contribution. It must be a cash co-contribution.
 |
| [ ]  Work on the project will commence **on** or **after** the execution of the Financial Assistance Agreement. | * Retrospective funding (i.e. reimbursing work that has already occurred and/or costs that have already been incurred) is **not** permitted. Funding is available to successful applicants from 1 July 2022. Funds must be expended by 30 June 2023 and cannot be extended past this date.
 |

**Step 3 – Service Provider Eligibility**

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| **CRITERIA** | **HELP / TIPS** |
| [ ]  Your Service Provider can be a publicly-funded, not-for-profit or privately-owned enterprise, e.g.:* private sector firms
* private sector research organisations
* universities
* vocational education and training organisations
* ChemCentre
 |  |
| [ ]  Your Service Provider is based in Western Australia (PREFERRED). | * 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.
 |
| [ ]  Your Service Provider provides a quotation for the project. | Quotation **must** include:* Service Provider name, contact person, contact details, ABN/ACN;
* A ‘valid until or valid before’ date on the quotation obtained;
* **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 with expected dates** **of completion** (i.e. the timing for when you are expected to pay your Service Provider).
 |
| [ ]  Your Service Provider is an independent third party (i.e. has no financial or other ties to your company). | * To confirm this, your Service Provider must **include and sign** the following statement in their quotation or as a separate letter on company (service provider) letterhead stating:

“*This is to confirm that [Service Provider Company Name] is an independent third party, and that [Service Provider Company Name] has no direct connection or relationship with [Applicant Company Name].”* |

# **How to APPLY**

Applying for an Innovation Booster Grant (IBG) is a one-stage competitive process involving a written application that needs to be submitted via the[**online grant platform**](https://innovationbooster.grantplatform.com/) .

**Applications open Wednesday 9 March 2022, 9:00am (AWST) and close Wednesday 20 April 2022, 11:00am (AWST). Please ensure you have received an email confirming that your application was submitted and keep this on file, for your reference.**

**ADDRESSing THE Evaluation Criteria**

If your application is found eligible (passes all the eligibility criteria), it is then evaluated against the following criteria, by an external panel.

Given the size of the grant, it is important the applicant demonstrates a clear ‘need for funding’. This is best demonstrated by:

* a project that can make a material difference and uplift the performance of the applicant’s business (such as building a minimum viable product, or MVP);
* the business explaining why it has had difficulty in funding the entire project itself; and
* explaining the benefits and positive outcomes the funding can provide to the applicant’s business, and WA more generally.

For a competitive application, please address these criteria **as clearly as possible** and **use concrete evidence where possible**.

|  |  |
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| **1. NEED FOR FUNDING** | Demonstrate and explain* how your innovation provides a competitive solution to a market need in Western Australia;
* how the IBG will directly help address your financial need in advancing your innovative project;
* why this project deserves WA government funding; and
* why you cannot fund this project yourself (difficulties and gaps in funding).
 |
| **2. LEVEL OF****IMPACT / CHANGE** | Demonstrate the impact that WA government funding for your innovation will have on:* generating job creation and economic diversification benefits for Western Australia; and
* delivering tangible benefits for industry and end-users, such as income growth, new markets, technological transfer, collaboration, future capital raising.
 |
| **3. CAPABILITY AND CAPACITY** | Demonstrate that you (and/or your team) have the capability and capacity to use the specialist service outcomes to advance your innovation. |
| **4.** **COMPETITIVE ADVANTAGE** | Demonstrate that your innovative project has a competitive advantage in its market, i.e. through differentiation:* cost benefits;
* product features;
* delivery; and
* any other unique features.
 |
| **5. COLLABORATION** | Demonstrate:* 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 startup and small business sectors 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.

**EvalUation Panel**

JTSI engages an independent Evaluation Panel to assess applications based on the above criteria, and to make recommendations for funding. To assist with their decision making, 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 deliberations of the Evaluation 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.11).

The final approval for applicant funding lies with the Department of Jobs, Tourism, Science and Innovation.

**Outcome Communications and FEEDBACK**

Eligible applicants will be notified by email on the outcome of your application **in June 2022**. Successful applicants are publicly announced by the Minister for Innovation and ICT. 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 IBG is expected to be a highly competitive process. Previous experience with the IBG indicates we will receive many more applications than can be funded. Applicants should weigh up the time taken to apply, and consider the ‘invested cost’ may not yield a return. Please respect that the decision on recipients is final and no further correspondence can be entered into.

If you have any queries, please contact us at innovationbooster@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 IBG are required to enter into a written Financial Assistance Agreement with the Department of Jobs, Tourism, Science and Innovation (JTSI), who administers the grant. No rights to financial assistance accrued until such time as the grant agreement has been entered into by the relevant parties.[[2]](#footnote-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.

1. **Participate in post funding reviews.**

All financial support provided by JTSI under this grant is subject to a post funding review. Recipients are required to participate in online surveys conducted by JTSI up to 2 years after the funding ceases. Surveys generally take 10 minutes to complete and seek feedback on inputs, activities, results, usage and impacts related to the IBG.

1. **Co-contribution towards IBG**

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.

1. **Funding availability.**

Funding is available to successful applicants from 1 July 2022 until 30 June 2023.

1. **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. This occurs once the presentation of a claim and written evidence that the requirements under the Financial Assistance Agreement **have been delivered and paid for,** to the satisfaction of JTSI. This includes evidence that the recipient has paid the Service Provider their contribution towards the provision of the specialist service.

1. **GST excluded.**

The Department does not regard the IBG 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.

1. **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.

1. **Conflicts of interest.**

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

1. **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 amount 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.

1. **Media and promotions.**

IBG 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 WA state government’s New Industries Fund is at the absolute discretion of the Department of Jobs, Tourism, Science and Innovation. Nothing in the application process, the selection process or any associated documentation shall give rise to any:

1. legal relations or any process or other contract between the Minister or the WA state government on the one hand and the applicant on the other; or
2. legitimate expectations on the part of the applicant.
1. All co-contributions items may be subject to an independent audit. [↑](#footnote-ref-1)
2. JTSI reserves the right to check the financial stability of all selected applicants before Financial Assistance Agreements are finalised. [↑](#footnote-ref-2)