

Business Innovation Support Initiatives Grant Scheme Guidelines

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1	July 2014	Innovation and Science, Industry Development and Innovation	Initial version.
2	November 2016	Innovation and Science, Business and Innovation NT	Formatting and style updates; Subsequent applications; minor amendments.

Acronyms The following acronyms are used in this document	
Acronyms	Full form
ABN	Australian Business Number
ACN	Australian Company Number
BISI	Business Innovation Support Initiatives
IP	Intellectual Property
NT	Northern Territory
R&D	Research and Development
SME	Small – Medium Enterprise

Contents

1	Introduction	4
1.1	Overview	4
1.2	Objectives	4
1.3	Project scope	4
2	Eligibility and restrictions	4
2.1	Who is eligible to apply for funding?	4
2.2	Restrictions	5
2.3	Subsequent Applications	5
3	Program	5
3.1	Program outcomes	5
3.2	Program design	5
3.3	Applicant Responsibilities	6
4	Grant Process	6
4.1	Getting started	7
4.2	Application process	7
4.3	Assessment process	7
4.4	Grant approval process	7
4.5	Finalise contract	7
4.6	Project acquittal	8
4.7	Monitoring and evaluation	8
5	Assessment of applications	8
5.1	Assessment process	8
5.2	Assessment criteria	8
6	Funding administration	10
6.1	Funding agreements	10
6.2	Variation to any funding agreement	10
6.3	Program monitoring and reporting	10
6.4	Publication and promotion of funded projects	10
6.5	Privacy and commercial confidentiality	11
6.6	More information	11

1 Introduction

1.1 Overview

The Business Innovation Support Initiatives (BISI) Program (the Program) is funded by the Northern Territory Government through the Department of Trade, Business and Innovation as a pilot program aimed at supporting innovation in the Small-to-Medium-Enterprises (SME) business sector in the Northern Territory.

The BISI program provides funding in two ways;

- a voucher scheme which supports eligible contractual agreements between applicant businesses and research service providers
- a grant scheme to support applicant businesses with the in-house capacity to do their own research.

The following guidelines are for the BISI Grant Scheme.

Definition

Innovation is the implementation of a new or significantly improved product (good or service), process, new marketing method or a new organisational method in business practices, workplace organisation or external relations.

Innovation is more than just the generation of new ideas through expenditure on research and development. It is also about execution, bringing an idea to a market or another commercial outcome that generates an impact on our economy.

1.2 Objectives

The program objectives are to:

- stimulate, initiate and promote innovation
- kindle and inspire excitement in and a drive for innovation in SMEs
- drive creativity and inspire new ideas
- enable and assist new collaborations to test and develop new ideas
- support businesses to commercialise new ideas that create wealth and jobs.

1.3 Project scope

The BISI Grant Scheme offers co-funding to NT-based pre-start-ups, start-ups, sole traders, micro businesses and SMEs, to carry out Research and Development (R&D) projects in science, engineering, technology and design which could lead to successful new products, processes and services.

BISI assists NT-based companies prove concepts and develop prototypes. By reducing financial risk, BISI aims to encourage investment, increase innovation capability, accelerate the commercialisation of new products and services, and contribute to economic growth.

2 Eligibility and restrictions

2.1 Who is eligible to apply for funding?

Eligible organisations are NT-based and NT-registered businesses or incorporated non-profit organisations, with a valid Australian Business Number (ABN) and fewer than 100 employees. The

Business Innovation Support Initiatives Grant Scheme Guidelines

proposed project must meet the stipulated innovation criteria and have potentially commercial outcomes.

commercial outcomes.

An example of how the Program could help you:

You may be seeking IP Protection for your idea

The BISI Grant Scheme could help you (the Applicant) to employ the specialists needed to help you with your project, as well as assist with the research and development costs.

2.2 Restrictions

This program is not available to individuals. Program funds cannot be used to duplicate existing initiatives funded either by the applicant, another organisation, or the Australian Government, other state and territory or NT Governments. BISI does not provide support for staff training, capital expenditure, routine operational expenses or recurrent programs.

2.3 Subsequent Applications

The Department of Trade, Business and Innovation will not normally approve more than four awards (vouchers and grants) for a single project. Applicants may also be required to include a progress report, such as a commercialisation plan (showing milestones and timelines) for multiple applications.

3 Program

3.1 Program outcomes

The BISI Grant Scheme funds will be allocated annually on a competitive basis with applications assessed by an independent panel to be the best projects submitted. Applicant projects must implement one or more of the processes listed below:

- conduct knowledge searches (scientific, technical and/or IP)
- develop experimental plans with researchers
- initiate R&D activities
- determine proof of concept
- undertake feasibility studies
- build prototypes
- obtain patents
- access specialist research facilities
- determine early failure or achieve eligibility for national grants

3.2 Program design

The BISI Grant Scheme offers funding to SMEs undertaking R&D projects in the strategically important areas of science, engineering, technology and design.

The grant scheme conditions include:

- grants directly support applicants with an existing in house capacity to conduct R&D
- the support is for an approved project implemented by the applicant
- the supported project must include R&D
- the applicant must meet the eligibility criteria

Business Innovation Support Initiatives Grant Scheme Guidelines

- the applicant must sign a contract with the department
- the applicant provides co-funding in cash, in kind is not permitted
- the applicant provides expertise and/or specialist facilities
- the applicant is paid by the department in accordance with the terms of the contract between the applicant and the department
- payments will be made on delivery of agreed milestones accompanied by proof of applicant co-funding
- capital upgrades are excluded from the grant, but can be part of co-funding.

Key features of the BISI Grant Scheme:

- one competitive round per year
- work must start within three months of the grant being awarded
- work must be completed within 24 months of the contract being signed
- maximum grant - \$60k
- funding proportion - up to 50% of total project costs
- BISI grants will support an approved project implemented by the applicant business
- successful applicants will be required to sign a binding contract specifying the amounts of grant and co-funding allocated to each milestone
- payment on delivery of agreed milestones
- payments will be made to the applicant
- case management support for applicants. Face-to-face meetings are available on request
- applicants must successfully acquire a grant before they are eligible to apply for additional support.

3.3 Applicant Responsibilities

The applicant signs a legal online declaration that:

- he/she is authorised to complete, sign and submit the application
- that the application is true, correct and complete.

These declarations are made in accordance with the *Oaths, Affidavits and Declarations Act 2010*. Online declarations are unattested in accordance with Section 21 of the Act.

The applicant will subsequently be required to sign a contract with the department that details the terms, conditions, deadlines and payment schedules specific to the project. The contract will also specify reporting schedules and monitoring and evaluation requirements. Any variations arising during implementation of the project must be agreed in writing and signed by both parties.

4 Grant Process

The application form is online and accessed via the Department of Trade, Business and Innovation website <http://nt.gov.au/BISI>. Hard copy applications are not permitted. If you do not have access to a computer, you can seek assistance (including face-to-face meetings) by contacting innovation@nt.gov.au or telephone (08) 8999 6888.

An example of how the Program could help you:

You may be seeking Prototypes for your idea

The BISI Grant Scheme could help you (the Applicant) to employ or re-assign specialist staff to build a prototype for your project.

4.1 Getting started

You have an innovative idea with commercial potential. You have, or will have, the staff and facilities, but not the financial resources, to test and develop the idea yourself.

Consider and characterise your innovative idea (it is recommended that you search the internet and AusPat (<http://pericles.ipaustralia.gov.au/ols/auspat/>) and make sure that no one else has already had the idea).

Identify the in-house resources available and needed to advance your project. You will need to consider costs so you can do your budget.

Read these guidelines in full and make sure you understand the assessment criteria.

You must be the Chief Executive Officer, Managing Director or Director of the business/organisation or have been authorised by one of these people to complete the application.

4.2 Application process

Apply online for a grant. You should gather the information below first. The number in brackets is the limit of words allowed. You can save your application at any stage and return to it later.

Required information:

- applicant details (your organisation details, Address, ACN, ABN etc.)
- your type of business and expenditure on research and development
- project summary (150)
- level of innovation including methodology(300)
- likelihood of success (applicant capability) (200)
- project potential (next steps, up-scaling, market, risks and threats) (300)
- potential contribution to Northern Territory development (300)
- meeting the desired criteria (see below) (500)
- company contribution (\$ amount)
- project budget (how cash and voucher contributions are applied)
- outline of in-kind contributions (100).

Complete and submit your application for the BISI Grant Scheme. The application form can be accessed at <http://nt.gov.au/BISI> and allows for optional attachments.

4.3 Assessment process

Your application will be assessed by a panel of business and industry experts who score in accordance with the assessment criteria detailed in section 5.2.

4.4 Grant approval process

If successful, a letter of offer will be sent to you from the Department of Trade, Business and Innovation with a draft contract refer section 6.1.

4.5 Finalise contract

Applicant and Department of Trade, Business and Innovation agree to the terms of the contract. Once the contract is signed, projects will generally be expected to complete within 24 months.

The department will periodically monitor progress of the work.

4.6 Project acquittal

Payment milestones will be identified in the contract, with grant funding and co-funding contributions.

The department will check that the milestones and co-funding are delivered in accordance with the contract.

The department will pay the agreed amounts to the applicant.

4.7 Monitoring and evaluation

It is important for the department to evaluate the effectiveness of its business support programs. You will be required to:

- report on the project in accordance with the relevant schedule of the contract.

Please read the assessment criteria below before proceeding with your application.

5 Assessment of applications

5.1 Assessment process

The Department of Trade, Business and Innovation confirms the eligibility of applicants.

Due diligence on applicant by DTBI:

- you may be subject to a Veda credit check
- a search for prior art may be conducted.

Project meets threshold/eligibility criteria.

All eligible applications are evaluated and scored by a panel of assessors selected for their broad business and industry expertise and their experience in assessing grant applications.

Application assessed and scored by business/industry panel.

- a) Every assessor on a panel signs a non-disclosure confidentiality agreement prior to each assessment
- b) The best 2 or 3 applications will be awarded grants.

5.2 Assessment criteria

We suggest you read these criteria carefully, and write your application so that the assessment panel can easily see how the proposed project addresses the criteria.

Threshold or eligibility criteria

All threshold criteria must score 'yes' for the application to be further considered.

Applicant is a business registered in the NT with less than 100 employees.

Application completed correctly:

- a) contains all specified information
- b) accords with published guidelines.
- c) applicant able and willing to provide research and development services:

Business Innovation Support Initiatives Grant Scheme Guidelines

- d) applicant institution/business has the capacity (staff, equipment and time) to successfully complete the project
- e) applicant institution/business has undertaken to provide sufficient staff and resources for successful completion

Project assessment criteria

Mandatory criteria

These five criteria contribute up to 70% of the marks awarded to the application and each must score more than 0%. Each criterion consists of several components. Possible points available for each criterion are shown in brackets.

Project shows a high level of innovation (20)

- a) Project or process is based on new ideas or ideas applied in a new context
- b) Project uniquely responds to a specified problem or issue
- c) Project outcomes replace an existing product or process with a better one
- d) Note: Project outcomes must be clearly but simply described

Project has a high likelihood of success (10)

- a) The project team has a demonstrated capability to undertake this work
- b) The project is led by a business or technology professional with a strong record of creativity and/or success
- c) Note: The deliverables must be clearly and simply described

Project demonstrates a clear path to application (15)

- a) Next steps and future funding described
- b) Shows potential for up-scaling and replication
- c) Accounts for risks and threats
- d) Identifies the market for the uptake of the product, process or service

Project will contribute to Territory development. (15)

- a) Outcomes contribute to employment
- b) Outcomes contribute to business and industry
- c) Outcomes contribute to sustainable management of resources
- d) Outcomes contribute to public good

Documentation clearly describes the project (10)

- a) Product or process outcomes are clear
- b) Project plan and methodology logically lead to outcomes

Desired criteria

These are not essential but are worth up to a further 30% of marks.

Potential to benefit the Territory's knowledge economy (10)

- a) Improves a practice or process
- b) Replaces an under-performing product
- c) Improves efficiency of a product or process
- d) Improves the flow and or understanding of information
- e) Outcomes could lead to systemic change

Project fosters collaboration between applicants, clients and other partners (5)

Business Innovation Support Initiatives Grant Scheme Guidelines

- a) Project can or will develop beneficial relationships with SMEs, Indigenous groups, key Territory industries, academia, government or other groups.

Dependence on voucher funding justified (5)

- a) Co-funding from other sources is described
- b) Period of dependence on grant funding justified
- c) Credible transfer to commercial support explained

Value for money - the potential outputs justify the expense (5)

Commercial potential (5)

- a) Could revolutionise an existing industry product or process
- b) Could lead to new industry, service or market opportunity
- c) Could enhance the applicant's competitive advantage nationally or globally

6 Funding administration

6.1 Funding agreements

Should the project be approved, the Applicant will receive a letter of offer from the department with a draft contract that will state the amount awarded and applicant co-funding, and terms and conditions of the offer. Once the contract has been agreed and signed, the project is deemed to have started. The applicant must commence work on the project within three months of the contract being signed. Then:

- applicant executes the work
- applicant reports in accordance with the relevant schedule of the contract
- applicant provides proof of applicant's co-funding
- all invoices relevant to the grant support provided
- milestones and deliverables checked by the department
- applicant paid by the department in accordance with the relevant schedule of the contract

The grant should be acquitted within 24 months from the date of contract signing.

6.2 Variation to any funding agreement

If a successful grant recipient wishes to vary their project's scope or budget from those specified in the original contract, a written variation request should be sent to the department. Approval of such requests cannot be assumed, but will be given in writing and must be signed by both parties.

Where the variation request results in an amount of program funding that is no longer required, arrangements will be made to return excess funds to the department.

6.3 Program monitoring and reporting

Grant recipients will be required to report in accordance with the relevant schedule of the contract.

6.4 Publication and promotion of funded projects

It is a condition of the program that details of **successful grants** and projects are published in the department's Annual Report, and the department also retains the right to publicise outputs of the program, content subject to commercial confidentiality.

Business Innovation Support Initiatives Grant Scheme Guidelines

Outputs developed as a result of the BISI Program funding are vested with the Applicant and the department claims no rights to them (see privacy and commercial confidentiality statement).

6.5 Privacy and commercial confidentiality

The Department of Trade, Business and Innovation will collect applicants' personal information such as name and contact details to assess their eligibility for grant funding and to contact applicants about their applications. Details of the proposed project are required in order to be assessed but sensitive technical details need not be disclosed. The applicant information will be held by DTBI and managed in accordance with the *Information Act*. All external assessors will be required to sign a non-disclosure agreement.

6.6 More information

Every effort has been made to minimise red tape and simplify the application process. The department is always looking to improve processes and systems. Stakeholder feedback is welcomed and should be sent to innovation@nt.gov.au with the subject line 'BISI application feedback'.

Department of Trade, Business and Innovation
Business and Innovation NT
telephone: +61 8 8999 6888
email: innovation@nt.gov.au
webpage: <http://nt.gov.au/bisi>