

October 2020

Innovation Districts

COVID-19 R&D

Challenges

Guidelines

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Innovation Districts COVID-19 R&D Challenges

COVID-19 has disrupted the world's economies.

NSW Treasury is seeking to identify and support businesses that are located within innovation districts (see below) to accelerate the commercialisation of research products that address the many disruptions caused by the COVID-19 pandemic. To achieve this, the Government is partnering with universities and CSIRO in NSW to deliver three rounds of challenges.

These guidelines provide information which businesses will need to apply for potential funding during each round of the Innovation Districts COVID-19 R&D Challenge.

What are 'innovation districts'?

Innovation districts are locations where research institutions and companies cluster and connect with startups, business incubators and accelerators; and can network and accelerate commercialisation.

Twelve partner institutions (comprising eleven universities and CSIRO in NSW) have aligned with NSW Treasury, as part of the Boosting Business Innovation Program:

- Australian Catholic University
- Charles Sturt University
- CSIRO NSW
- Macquarie University
- Southern Cross University
- University of New England
- University of Newcastle
- University of New South Wales
- University of Sydney
- University of Technology Sydney
- University of Wollongong
- Western Sydney University.

These innovation district partners will identify businesses with connections in their area, either through research relationships or physical location, which (in the partner institution's sole assessment) have high-potential products or services that can address the Challenge Statement.

Challenge Statements

Each Challenge will be defined by a problem statement that relates to COVID-19 and its impact on the people of NSW.

The Challenge Statements, and the key dates for each round, will be made available on the website business.nsw.gov.au.

Funding opportunities that are available

The total funding pool available for each Challenge round is \$500,000.

Grant Recipient	Funding Available
Highest ranked applicant	\$250,000
Second-highest ranked applicant	\$100,000
Third-highest ranked applicant	\$30,000
Highest ranked applicant in each Innovation District that is not one of the statewide overall recipients	\$120,000 (\$10,000 for each of the 12 innovation districts)

Business eligibility criteria

To be eligible, businesses must have:

- an ABN registered in NSW and is based in NSW
- fewer than 200 employees
- operated for at least 12 months, based on date of ABN registration
- at least \$75,000 in sales revenue within the last 12 months or previous financial year
- a product or service (which may still be in development) that directly addresses the impact of COVID-19 that it intends to market within 12 months
- ownership that is at least 75 per cent Australian and is not more than 50 per cent owned by another business.

Eligible businesses must also provide:

- an operating profit and loss statement for the last 12 months or previous financial year
- brief profiles of key personnel such as CV or LinkedIn accounts
- nomination of their primary innovation district partner.

Exclusions

The following will not be considered eligible for funding:

- solutions that do not directly respond to the challenge statement for solutions that address the impact of COVID-19
- solutions designed to improve internal business processes
- a Commonwealth, state or local government agency or body including government business enterprises.

Stage One: Expressions of interest

Each of the 12 innovation district partners will lead challenge activities in their respective innovation districts using an expression of interest or other engagement process that will be publicly

communicated. Businesses seeking to learn more should liaise with the innovation district partner, or contact the Global NSW Concierge at www.global.nsw.gov.au/contact-us.

Each innovation district partner will refer the most promising businesses for an initial eligibility check and then work with high-potential products or services businesses to develop applications.

The innovation district partners will conduct an independent process to identify the top three applications to be nominated to progress to Stage Two.

Nominated businesses will then be invited to complete the Stage Two Application form and provide the supporting material outlined below (see Stage Two: Application, assessment and determination).

Should a business be ineligible, the innovation district partner may recommend other initiatives for the business to engage with, such as future Innovation Districts COVID-19 R&D Challenges or other programs.

As part of the Innovation Districts COVID-19 R&D Challenges, innovation district partners will run workshops, answer questions and provide advice to all eligible businesses, with the aim of ensuring a fair, transparent and competitive opportunity for eligible businesses.

Stage Two: Application, assessment and determination

Each of the 12 innovation district partners will nominate three businesses to progress to Stage Two through a publicly communicated independent process.

All Stage Two applications will be submitted directly to NSW Treasury and the application form can be accessed at business.nsw.gov.au.

Businesses will provide:

- completed Stage Two Application Form
- budget and commercialisation plan
- video presentation up to two minutes
- declaration of conflicts of interest and description of any ethical or regulatory requirements to deliver the product or solution to a marketable state in NSW.

Stage Two applications received by the closing date will then be competitively ranked by an assessment panel against three criteria: impact, effectiveness, and delivery, tabled below. As outlined above, 15 of the 36 applications may receive a grant to accelerate the commercialisation of their products.

Assessment Process

For each round, NSW Treasury will lead the assessment of the 36 applications submitted by the 12 innovation district partners.

Applications will be assessed and ranked against the criteria tabled below. An assessment panel will be convened to assess applications submitted by the innovation district partners.

The assessment panel will consist of:

- a representative(s) of NSW Treasury (Chair)
- a representative of NSW Health

- a representative of the Department of Premier and Cabinet
- a representative from the Office of NSW Chief Scientist & Engineer
- an independent global expert on entrepreneurship and innovation districts
- an independent probity advisor

Assessment Criteria

Criteria		Weighting	Targeted questions
1	Impact	33%	<ul style="list-style-type: none"> ▪ What is the problem being addressed? ▪ What is the solution and how is it unique and innovative? ▪ Who is the market user and how large is the opportunity? ▪ How you are going to collaborate to accelerate commercialisation?
2	Effectiveness	33%	<p>Track record of business</p> <ul style="list-style-type: none"> ▪ Please provide an example of how your organisation or project team previously and successfully delivered real-world solutions at scale and with speed <p>Feasibility</p> <ul style="list-style-type: none"> ▪ What is the research basis of your product and the evidence that you can provide to show the effectiveness of your product? ▪ How close are you to the commercialisation of your product? ▪ What if any are the key uncertainties remaining about the effectiveness of your product, and how and when you will resolve these? <p>Viability</p> <ul style="list-style-type: none"> ▪ How do you propose to reach your users? ▪ Who are your closest competitors and how is your product different?
3	Delivery	34%	<p>Resourcing</p> <ul style="list-style-type: none"> ▪ What are the resources your organisation is making available for this project? ▪ What additional resources are you seeking for this project (aside from this funding application)? ▪ How will your product be deployed into the operational environment rapidly and at scale? <p>Timing and Staging</p> <ul style="list-style-type: none"> ▪ What capabilities does the business have that enable implementation of the commercialisation of the product? ▪ Outline the milestones and stage-gates that are present in the project plan <p>Coordination and Alignment</p> <ul style="list-style-type: none"> ▪ How does this project fit with your organisation's strategic goals?

The assessment panel will score applications using the guide tabled below, with each criterion being assessed on a scale from 0 to 5. This will result in a score of up to a maximum 15. This process will be used to rank all 36 applications in each round.

In the event of a tied score, the assessment panel will re-assess the relevant applications, and if necessary, have the deadlock decided by the panel chair. The Deputy Secretary, Jobs, Investment and Tourism will approve the panel recommendations for grant funding.

It is noted that – while the independent panel will determine its recommendations to NSW Treasury, and NSW Treasury will be guided by those recommendations – any funding decisions will be made by NSW Treasury in its sole discretion and are final.

Score	Rating	Requirement
5	Excellent	Meets and exceeds all requirements. Solutions proposed are highly innovative and readily deliverable with no discernable risks.

4	Very Good	Fully meets all requirements and exceeds some. Solutions proposed are innovative and deliverable with limited problem solving and risk management.
3	Good	Meets requirements in all areas. Solutions are innovative and deliverable with some problem solving or risk management clearly evident.
2	Satisfactory	Almost meets requirements, Solutions are novel, or may be genuinely innovative, but substantial development or risk areas need to be resolved.
1	Poor	Minimal compliance with the requirements. Solutions lack innovative quality and/or present substantial risk or deliverability challenges.
0	Non-compliant	Does not meet requirements. Solutions presented do not address the selection criteria in an assessable manner.

The assessment panel will provide advice and recommend the highest ranked applications to NSW Treasury that are suitable for funding. Successful projects will be approved by NSW Treasury.

All projects may be referred to other funding programs in NSW Government for consideration.

Probity Advice

Independent probity advisers OCM will provide guidance on issues concerning integrity, fairness and accountability that may arise throughout the application, assessment and decision process. This will help ensure decisions are made with integrity, fairness and accountability, while delivering value for money for NSW.

Successful Projects

Successful applicants will be notified in writing by email and/or letter. Applicants may be required to keep the grant confidential for a period of time if an announcement will be made by the NSW Government.

Successful applicants will be required to enter a grant agreement with NSW Treasury, which will include a requirement that the applicant has and can provide a copy of all relevant insurances, such as public liability insurance or other insurance depending on the application.

As part of their obligations under the grant agreement, successful applicants will be required to submit reports at six month and 12-month intervals, which will include progress against the commercialisation plan and the intended use of funds, following receipt of the funding to NSW Treasury as outlined in the grant agreement.

Grants will be paid in a single upfront payment to the business.

Applicants should note:

- the NSW Government may choose to publicly announce grant funding for individual applications including the organisation, project title and/or short summary, and amount funded
- that certain applicants may be used to showcase NSW's innovation and R&D capability and provide case studies and success stories
- requests for variations or changes to the project will only be considered in limited circumstances
- successful applicants will be required to participate in a program evaluation after the project has concluded to determine the extent to which their projects have contributed to the objectives of the program. The evaluation will require applicants to provide

evidence of how projects have resulted in measurable benefits that are consistent with the objectives of the program

Unsuccessful applicants will be notified in writing of the outcome of each application.

Government Information (Public Access) Act

Applicants should be aware that information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the *Government Information (Public Access) Act 2009 (NSW)*.

Information that is deemed to be commercially sensitive may be withheld if it meets the conditions of the public interest test.

The Government Information (Public Access) Act 2009 (NSW) makes government information accessible to the public by:

- requiring government agencies to make certain sorts of information freely available
- encouraging government agencies to release as much information as possible
- giving the public an enforceable right to make access applications for government information
- restricting access to information only when there is an overriding public interest against disclosure.

Questions and further information

Contact the innovation district partners who are leading challenge activities:

- Australian Catholic University Anthony Bayss anthony.bayss@acu.edu.au 02 9701 4756
- Charles Sturt University: Siobhain Howard sihoward@csu.edu.au 02 6933 4004
- CSIRO: Katie Green katie.green@csiro.au 02 9413 7522
- Macquarie University: <https://www.mq.edu.au/about/about-the-university/offices-and-units/macquarie-university-incubator/innovation-districts-covid-19-r-and-d-challenges>
- Southern Cross University: Michael Sydes michael.sydes@scu.edu.au 02 6626 9569
- University of New England: Lou Conway mconway@une.edu.au 02 6773 3919
- University of Newcastle: Siobhan Curran siobhan.curran@newcastle.edu.au 02 4921 6951
- University of New South Wales: Danielle Neale danielle.neale@unsw.edu.au 0481 451 636
- University of Sydney: Katie Richmond katie.richmond@sydney.edu.au 02 9114 1153
- University of Technology Sydney: Alex Thomson algaebitech.hub@uts.edu.au 02 9514 5167
- University of Wollongong: Zahra Shahbazian zahras@uow.edu.au or Julia Frith jfrith@uow.edu.au 0438 358 243
- Western Sydney University: Don Wright don.wright@westernsydney.edu.au 02 9678 7200

Probity enquires can be directed to Richard O'Neill at OCM roneill@ocm.net.au 02 9252 2565.

Further information is available at the Innovation Districts COVID-19 R&D Challenges website at business.nsw.gov.au or contact the Global NSW Concierge at global.nsw.gov.au or call 8222 4888.