



Australian Government

Department of Industry, Science and Resources

Department of the Treasury

Grant Opportunity Guidelines

Australian Small Business Advisory Services – Digital Solutions Round 2

Opening date:	19 September 2022
Closing date and time:	5pm Australian Eastern Daylight Time on 11 November 2022 Please take account of time zone differences when submitting your application.
Commonwealth policy entity:	Department of the Treasury
Administering entity:	Department of Industry, Science and Resources
Enquiries:	If you have any questions, contact us on 13 28 46.
Date guidelines released:	29 August 2022
Type of grant opportunity:	Open competitive

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1. Australian Small Business Advisory Services - Digital Solutions Round 2

The grant opportunity is designed to achieve Australian Government objectives

This grant opportunity contributes to The Treasury's Outcome 1. The Department of Industry, Science and Resources has worked with The Treasury to plan and design the grant program according to the [Commonwealth Grants Rules and Guidelines](#).



The grant opportunity opens

We publish the grant guidelines on business.gov.au and GrantConnect.



You complete and submit a grant application

You complete the application form, addressing all the eligibility and assessment criteria in order for your application to be considered.



We assess all grant applications

We review the applications against eligibility criteria and notify you if you are not eligible. We assess eligible applications against the assessment criteria including an overall consideration of value with relevant money and compare it to other eligible applications.



We make grant recommendations

We provide advice to the decision maker on the merits of each application.



Grant decisions are made

The decision maker decides which applications are successful.



We notify you of the outcome

We advise you of the outcome of your application. We may not notify unsuccessful applicants until grant agreements have been executed with successful applicants.



We enter into a grant agreement

We will enter into a grant agreement with successful applicants. The type of grant agreement is based on the nature of the grant and proportional to the risks involved.



Delivery of grant

You undertake the grant activity as set out in your grant agreement. We manage the grant by working with you, monitoring your progress and making payments.



Evaluation of the program

The Treasury evaluates the specific grant activity and the program as a whole. We base this on information you provide to us and that we collect from various sources.

2. About the grant program

The Australian Small Business Advisory Services (ASBAS) program (the program) is an ongoing program. The program supports the Australian Government's commitment to enhance the capabilities of business advisory service providers to deliver low cost, high quality advisory services to small businesses in metropolitan and regional areas.

The objectives of the program are:

- to assist business advisory service providers in the conduct of their business advisory services
- to enhance the capabilities of business advisory service providers to deliver low cost, high quality advisory services to small businesses.

The intended outcomes of the program are that:

- small businesses nationally have access to low cost, high quality advisory services
- small businesses increase their uptake of advisory services.

We administer the program according to the [Commonwealth Grants Rules and Guidelines](#) (CGRGs)¹.

2.1. About the ASBAS Digital Solutions Round 2 grant opportunity

These guidelines contain information for the ASBAS Digital Solutions Round 2 grants.

The initiative supports the Australian Government's ongoing focus to lift small business digital capability and adoption across the economy. Small businesses that digitalise their operations benefit from improved productivity, growth and resilience.

ASBAS Digital Solutions Round 2 will support service providers to offer low cost, high quality advisory services on digitalisation to Australian small businesses, across five priority capabilities including:

- digitalising your business
- websites and selling online
- social media and digital marketing
- using small business software
- online security and data privacy.

The objectives of the grant opportunity are:

- to assist business advisory service providers in the conduct of their digitalisation business advisory services
- to enhance the capabilities of business advisory service providers to deliver low cost, high quality digitalisation advisory services to small businesses.

The intended outcomes of the grant opportunity are:

- increased access by small businesses to advisory services that support and enhance their digital competency
- increased number of small businesses digitalising their operations and using digital tools to increase their efficiency, productivity and resilience.

This document sets out:

¹ <https://www.finance.gov.au/government/commonwealth-grants/commonwealth-grants-rules-guidelines>

- the eligibility and assessment criteria
- how we consider and assess grant applications
- how we notify applicants and enter into grant agreements with grantees
- how we monitor and evaluate grantees' performance
- responsibilities and expectations in relation to the opportunity.

The Department of Industry, Science and Resources (the department) is responsible for administering this grant opportunity on behalf of The Treasury.

We have defined key terms used in these guidelines in the glossary at section 14.

You should read this document carefully before you fill out an application.

3. Grant amount and grant period

The Australian Government has announced a total of \$18.6 million over four years (2022-23 to 2025-26) for the program.

3.1. Grants available

There are three grants available under this grant opportunity, each corresponding with a defined geographical coverage area. You may apply for one or more grants, to service multiple coverage areas.

Grant funding allocation for each coverage area over four years will be up to:

- \$6.51 million for Area 1 - New South Wales and the Australian Capital Territory
- \$5.58 million for Area 2 - Queensland, the Northern Territory and Western Australia
- \$6.51 million for Area 3 - South Australia, Victoria and Tasmania.

The program will fund one service provider to exclusively service the businesses located in each coverage area. The program will not fund proposals that plan to cover only part of a coverage area.

You must offer advisory services across the metropolitan and regional areas of the coverage area in proportion to the population of small businesses located in each (based on ABS Remoteness Area classifications).

A map of the coverage areas and a breakdown of the number of small businesses per coverage area is included at Appendix C.

The grant amount will be up to 100 per cent of eligible project expenditure. Total grant funding cannot exceed the amount of available funds per coverage area.

You are responsible for the remaining eligible and ineligible project costs.

You cannot use funding from other Commonwealth, State, Territory or local government sources to fund the balance of project expenditure not covered by the grant.

3.2. Project period

You must provide digital advisory services between 1 April 2023 and 31 March 2026.

4. Eligibility criteria

We cannot consider your application if you do not satisfy all eligibility criteria.

4.1. Who is eligible?

To be eligible you must:

- have an Australian Business Number (ABN)

and be one of the following entities:

- an entity incorporated in Australia (including an incorporated trustee applying on behalf of a trust, an incorporated for profit organisation or an incorporated not for profit organisation) and a trading corporation, where your trading activities:
 - form a sufficiently significant proportion of the corporation's overall activities as to merit it being described as a trading corporation; or
 - are a substantial and not merely peripheral activity of the corporation.

Joint applications are acceptable, provided you have a lead organisation who is the main driver of the project and is eligible to apply. For further information on joint applications, refer to section 7.2.

4.2. Additional eligibility requirements

We can only accept applications that:

- provide advisory services on digitalisation to small businesses:
 - in one of the selected coverage areas
 - that improve, support and enhance small businesses' digital competency including but not limited to the priority digital capabilities listed in section 5.3
- meet the service requirements listed at 5.2
- where you provide evidence from your board (or chief executive officer or equivalent if there is no board) that the project is supported, and that you can complete the project and meet the costs of the project not covered by grant funding.

4.3. Who is not eligible?

You are not eligible to apply if you are:

- an organisation, or your project partner is an organisation, included on the National Redress Scheme's website on the list of 'Institutions that have not joined or signified their intent to join the Scheme' (www.nationalredress.gov.au)
- an employer of 100 or more employees that has [not complied](#) with the *Workplace Gender Equality Act (2012)*
- an individual
- partnership
- trust (however, an incorporated trustee may apply on behalf of a trust)
- a Commonwealth, State, Territory or local government body (including government business enterprises).

5. What the grant money can be used for

5.1. Eligible activities

To be eligible your project must:

- provide advisory services on digitalisation to small businesses in the selected coverage area.

Eligible activities must be additional to any ongoing business as usual small business advisory activities undertaken by you.

Eligible activities may include:

- development of content
- development of communication channels for the delivery of advisory services
- promotional activities directed at driving small business participation in the program
- delivery of digital advisory services (one-on-one by face to face, phone, email, webchat, interactive webinars, workshops and online tutorials)
- development of client surveys to seek feedback on provided advisory services
- referral to other appropriate business advisory services.

We may also approve other activities.

5.2. Service Requirements

To be eligible you must agree to meet the following service requirements throughout the duration of the program:

- offer and deliver digitalisation advisory services to small businesses, covering at least the five priority digital capabilities identified at section 5.3
- recruit qualified and experienced business advisors to deliver the digital advisory services
- meet agreed service delivery targets related to the number of services you provide and the number of unique small businesses that receive services in both regional and metropolitan parts of the coverage area. These targets will be based on proposed service numbers and types (delivery format) you submit in your application, and included in your grant agreement as formal obligations.
- deliver services to small business clients in the form of:
 - assessment of the digital needs of the business (delivery format optional)
 - direct one-on-one advisory support, delivered via the channel that best meets the needs of the client, whether that be face-to-face or remotely online or over the phone
 - interactive workshops, delivered face-to-face wherever possible
 - presentations and/or seminars, delivered face-to-face or online as webinars
 - tailored digital action plans, with priority actions (guided development via one-on-one advisory support).

You will also need to make available an agreed number of self-directed tutorials in an online learning management system.

Each business has the flexibility to determine the extent of their participation by choosing how many or how few services they consume.

Services must be identified by the skill level/s they are targeted at (i.e. Beginner, Intermediate, Advanced), allowing businesses to select those most appropriate for their needs.

The number of services that any one business can participate in over the life the program is unlimited, and are to be provided at no charge to the business.

The exception is one-to-one advisory support. These services are to be offered to each small business

- capped at four hours per business (identified by unique ABN) over the life of the program

- at a one-off upfront cost (for up to four hours), to be determined by you but considered low cost in comparison to general market rates
- at no cost, in the case of demonstrated financial hardship.

If more than four hours of one-to-one advisory service is required, providers may negotiate with the business to supply this at market rates, outside of the program.

All services must be promoted and available to small businesses located in all parts of the coverage area (i.e. regional and metropolitan areas).

In promoting the services, you must identify them as being provided under the program, funded by the Australian Government. In delivering the services, your clients must clearly understand that they are participating in the program. Branding Guidelines will be provided to successful applicants.

The needs of culturally and linguistically diverse (CALD) and Indigenous small business owners are to be taken into account in promoting and delivering the services.

A phone booking service as well as an online booking service must be available for businesses to register for the services.

You are to monitor the quality and effectiveness of the services you provide, and the advisors delivering them, through surveys of your clients' satisfaction. Periodically, the Department will also survey your clients to gauge the quality and effectiveness of the services you provided, and your clients' satisfaction with them.

Other government service offerings outside of the program which could support businesses on their pathway to digitalisation should be identified and shared with businesses.

You will be required to meet the data collection and reporting obligations of the program (see section 12).

5.3. Priority digital capabilities

Your project must deliver services to small businesses to build skills and competencies across the five priority digital capabilities:

1. Introduction to Digitalising Your Business

- what is digitalisation and how can it help your business?
- how to align digital needs with your business goals
- is there a digital solution to your business problem?
- types of digital tools and benefits to your business
- overview of the other four digital capabilities.

2. Websites and selling online

- choosing an appropriate online presence
- creating and managing a website
- assessing opportunities for online sales
- developing an online sales strategy
- finding the right expertise.

3. Social media and digital marketing

- choosing an appropriate social media presence
- creating a social media account and content
- developing digital marketing strategies for social media and web-based advertising

- finding the right expertise.
4. Using small business software
- choosing the right software for managing sales, accounts and payroll, inventory, and customer relationships
 - maximising the benefits of management software
 - finding the right expertise.
5. Online security and data privacy
- assessing and managing cyber security threats
 - meeting customer data privacy obligations, and protecting customer data
 - finding the right expertise.

5.4. Eligible expenditure

You can only spend grant funds on eligible expenditure you have incurred on an agreed project as defined in your grant agreement.

- For guidance on eligible expenditure, see appendix A.
- For guidance on ineligible expenditure, see appendix B.

We may update the guidance on eligible and ineligible expenditure from time to time. If your application is successful, the version in place when you submitted your application applies to your project.

If your application is successful, we may ask you to verify project costs that you provided in your application. You may need to provide evidence such as quotes for major costs.

Not all expenditure on your project may be eligible for grant funding. The Program Delegate (who is manager within the department with responsibility for administering the program) makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be a direct cost of the project
- be incurred by you for required project audit activities.

You must incur the project expenditure between the project start and end date for it to be eligible unless stated otherwise.

You must not commence your project until you execute a grant agreement with the Commonwealth.

You must fund any project expenditure that is not covered by the grant. You cannot use funding from other Commonwealth, State, Territory or local government sources to fund your share of project expenditure.

6. The assessment criteria

You must address all assessment criteria in your application. We will assess your application based on the weighting given to each criterion.

The application form asks questions that relate to the assessment criteria below. The amount of detail and supporting evidence you provide in your application should be relative to the project size,

complexity and grant amount requested. You should provide evidence to support your answers. The application form displays size limits for answers.

We will only consider funding applications that score at least 50 per cent against each assessment criterion, as these represent best value for money.

6.1. Assessment criterion 1

Extent that your proposed advisory services will improve the digital capability of small businesses in the selected coverage area (40 points)

You should demonstrate:

- a. how your proposed service mix (advice topics and delivery format) will meet demand and improve digital capability of small businesses in the selected coverage area
- b. the customer journey for a small business accessing your services including how they will discover, access and participate in the services.
- c. details of the anticipated number of each service to be delivered (one service unit equals one hour, for calculation purposes), and the financial basis for each, as follows:
 - hours of direct one-on-one advisory support, delivered via the channel that best meets the needs of the client
 - number of interactive workshops delivered face-to-face in small groups
 - number of presentations and/or seminars, delivered face-to-face or online as webinars
- d. percentage of clients to receive a digital needs assessment (self or advisor guided) and tailored digital action plans (advisor guided)
- e. number of self-directed tutorials available to clients, in an online learning management system
- f. the number of unique businesses that you anticipate assisting, by service delivery format (one service unit equals one hour, for calculation purposes)
- g. the reach of your services across metropolitan and regional small businesses in the selected coverage area
- h. your strategy to promote and market your services to small businesses in the selected coverage area
- i. how you will take into account the needs of CALD and Indigenous small business owners in promoting and delivering the services.

6.2. Assessment criterion 2

Capacity, capability and resources to deliver the project (40 points)

You should demonstrate this through identifying:

- a. your track record managing similar projects
- b. your access to personnel with the right skills and experience, including management and technical staff
- c. your access to any capital equipment, technology, intellectual property, administrative systems, including record keeping practices, data collection, information sharing and reporting and required regulatory or other approvals

- d. your ability to comply with relevant policies and laws to ensure the privacy and security of client data
- e. a sound project plan to manage and monitor the project and risks.

6.3. Assessment criterion 3

Financial capability and governance (20 points)

You should demonstrate this through identifying:

- a. a detailed project budget that identifies the costs of all key project activities/services, including the costs of promotional activities, the development of content, travel and annual financial audit, and demonstrates that costs are commensurate with the level of service to be provided
- b. your ability to fund the running costs of your organisation external to the project and any project costs that are not covered by the grant
- c. how your organisation meets appropriate governance standards.

7. How to apply

Before applying you should read and understand these guidelines, the sample [application form](#) and the sample [grant agreement](#) published on business.gov.au and GrantConnect.

You will need to set up an account to access our online [portal](#). The portal allows you to apply for and manage a grant or service in a secure online environment. You can only submit an application during a funding round.

To apply, you must:

- complete the online [application form](#) via business.gov.au
- provide all the information requested
- address all eligibility and assessment criteria
- include all necessary attachments.

You can view and print a copy of your submitted application on the portal for your own records.

You are responsible for making sure your application is complete and accurate. Giving false or misleading information is a serious offence under the *Criminal Code Act 1995* (Cth). If we consider that you have provided false or misleading information we may not progress your application. If you find an error in your application after submitting it, you should call us immediately on 13 28 46.

If we find an error or information that is missing, we may ask for clarification or additional information from you that will not change the nature of your application. However, we can refuse to accept any additional information from you that would change your submission after the application closing time.

If you need further guidance around the application process, or if you have any issues with the portal, [contact us](#) at business.gov.au or by calling 13 28 46.

7.1. Attachments to the application

You must provide the following documents with your application:

- project plan, including risk management plan
- detailed project budget
- marketing strategy for the coverage area

- evidence of support from the board, CEO or equivalent (template provided on business.gov.au and [GrantConnect](#)). Where the CEO or equivalent submits the application, we will accept this as evidence of support.
- trust deed (where applicable)
- letters of support in case of joint applications (where applicable).

You must attach supporting documentation in line with the instructions provided in the form. You should only attach requested documents. The total of all attachments cannot exceed 20MB. We will not consider information in attachments that we do not request.

7.2. Joint applications

We recognise that some organisations may want to join together as a group to deliver a project. In these circumstances, you must appoint a lead organisation. Only the lead organisation can submit the application form and enter into the grant agreement with the Commonwealth. The application should identify all other members of the proposed group and include a letter of support from each of the project partners. Each letter of support should include:

- details of the project partner
- an overview of how the project partner will work with the lead organisation and any other project partners in the group to successfully complete the project
- an outline of the relevant experience and/or expertise the project partner will bring to the group
- the roles/responsibilities the project partner will undertake, and the resources it will contribute (if any)
- details of a nominated management level contact officer.

You must have a formal arrangement in place with all parties prior to execution of the grant agreement.

7.3. Timing of grant opportunity

You can only submit an application between the published opening and closing dates. We cannot accept late applications.

If you are successful we expect you will be able to commence your project around February 2023.

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Assessment of applications	10 weeks
Approval of outcomes of selection process	4 weeks
Negotiations and award of grant agreements	6 weeks
Notification to unsuccessful applicants	2 weeks
Earliest start date of project	February 2023
End date of grant commitment	March 2026

8. The grant selection process

We first review your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage.

We consider your application on its merits, based on:

- how well it meets the criteria
- how it compares to other applications
- whether it provides value with relevant money.

When assessing whether the application represents value with relevant money, we will have regard to:

- the overall objectives of the grant opportunity
- the evidence provided to demonstrate how your project contributes to meeting those objectives
- the relative value of the grant sought.

If the selection process identifies unintentional errors in your application, we may contact you to correct or clarify the errors, but you cannot make any material alteration or addition.

8.1. Who will approve grants?

The Minister decides which grants to approve taking into account the application assessment and the availability of grant funds.

The Minister's decision is final in all matters, including:

- the grant approval
- the grant funding to be awarded
- any conditions attached to the offer of grant funding.

We cannot review decisions about the merits of your application.

The Minister will not approve funding if there is insufficient program funds available across relevant financial years for the program.

9. Notification of application outcomes

We will advise you of the outcome of your application in writing. If you are successful, we advise you of any specific conditions attached to the grant.

10. Successful grant applications

10.1. Grant agreement

You must enter into a legally binding grant agreement with the Commonwealth. The grant agreement has general terms and conditions that cannot be changed. A sample [grant agreement](#) is available on [business.gov.au](#) and GrantConnect.

We will manage the grant agreement through the online portal. This includes issuing and executing the grant agreement.

Execute means both you and the Commonwealth have signed the agreement. We are not responsible for any expenditure you incur and cannot make any payments until a grant agreement is executed.

The approval of your grant may have specific conditions determined by the assessment process or other considerations made by the Minister. We will identify these in the offer of grant funding.

If you enter an agreement under the ASBAS Digital Solutions Round 2 program, you cannot receive other grants for the same activities from other Commonwealth, State or Territory granting programs.

The Commonwealth may recover grant funds if there is a breach of the grant agreement.

You will have 30 days from the date of a written offer to execute this grant agreement with the Commonwealth. During this time, we will work with you to finalise details.

The offer may lapse if both parties do not sign the grant agreement within this time. Under certain circumstances, we may extend this period. We base the approval of your grant on the information you provide in your application. We will review any required changes to these details to ensure they do not impact the project as approved by the Minister.

10.2. Project/Activity specific legislation, policies and industry standards

You must comply with all relevant laws, regulations and Australian Government sanctions in undertaking your project. You must also comply with the specific legislation/policies/industry standards that follow. It is a condition of the grant funding that you meet these requirements. We will include these requirements in your grant agreement.

In particular, you will be required to comply with State/Territory legislation in relation to working with children.

10.3. How we pay the grant

The grant agreement will state the:

- maximum grant amount we will pay
- any in-kind contributions you will make
- any financial contribution provided by you or a third party.

We will not exceed the maximum grant amount under any circumstances. If you incur extra costs, you must meet them yourself.

We will make payments according to an agreed schedule set out in the grant agreement. Payments are subject to satisfactory progress on the project.

10.4. Tax obligations

If you are registered for the Goods and Services Tax (GST), where applicable we will add GST to your grant payment and provide you with a recipient created tax invoice. You are required to notify us if your GST registration status changes during the project period. GST does not apply to grant payments to government related entities².

Grants are assessable income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the [Australian Taxation Office](#). We do not provide advice on tax.

² See Australian Taxation Office ruling GSTR 2012/2 available at ato.gov.au

11. Announcement of grants

We will publish non-sensitive details of successful projects on GrantConnect. We are required to do this by the [Commonwealth Grants Rules and Guidelines](#) unless otherwise prohibited by law. We may also publish this information on business.gov.au. This information may include:

- name of your organisation
- title of the project
- description of the project and its aims
- amount of grant funding awarded
- Australian Business Number
- business location
- your organisation's industry sector.

12. How we monitor your grant activity

12.1. Keeping us informed

You should let us know if anything is likely to affect your project or organisation.

We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due.

You must also inform us of any changes to your:

- name
- addresses
- nominated contact details
- bank account details.

If you become aware of a breach of terms and conditions under the grant agreement you must contact us immediately.

You must notify us of events relating to your project and provide an opportunity for the Minister or their representative to attend.

12.2. Reporting

You must submit reports in line with the grant agreement. We will provide the requirements for these reports as appendices in the grant agreement. We will remind you of your reporting obligations before a report is due. We will expect you to report on:

- progress against agreed project milestones
- project expenditure, including expenditure of grant funds
- service data metrics and progress against key performance indicators.

The amount of detail you provide in your reports should be relative to the project size, complexity and grant amount.

We will monitor the progress of your project by assessing reports you submit and may conduct site visits to confirm details of your reports if necessary. Occasionally we may need to re-examine claims, seek further information or request an independent audit of claims and payments.

12.2.1. Service delivery data collection and reporting

You must have a system in place that collects data including but not limited to:

- services provided, by delivery format (5.2) and digital advice topic (s5.3)
- program clients that receive (rather than register to receive) services under the program, including business name (legal entity), unique ABN, contact details, individual participants, and details of services received
- client satisfaction levels with services received.

The reporting templates in the grant agreement will specify the data collection metrics and the level of detail required in quarterly progress reports.

12.2.2. Key performance indicators

Your grant agreement will specify annual targets to be met in the delivery of the services.

You will be required to:

- meet targets for services you delivered and the number of small businesses that receive services across the coverage area (in regional and metropolitan areas).
- provide effective, high quality advisory services (measured by client satisfaction surveys)

The Program Delegate may set additional performance indicators.

12.2.3. Progress reports

Progress reports must:

- include details of your progress towards completion of agreed project activities
- detail promotional activities undertaken
- include evidence of expenditure
- show metrics measured to date
- be submitted by the report due date (you can submit reports ahead of time if you have completed relevant project activities).

We will only make grant payments when we receive satisfactory progress reports.

You must discuss any project or milestone reporting delays with us as soon as you become aware of them.

12.2.4. End of project report

When you complete the project, you must submit an end of project report.

End of project reports must:

- include the agreed evidence as specified in the grant agreement
- identify the total eligible expenditure incurred for the project
- present final metrics measured throughout the project
- include a declaration that the grant money was spent in accordance with the grant agreement and to report on any underspends of the grant money
- be submitted by the report due date.

12.2.5. Ad-hoc reports

We may ask you for ad-hoc reports on your project. This may be to provide an update on progress, or any significant delays or difficulties in completing the project.

12.3. Independent audits

We may ask you to provide an independent audit report. An audit report will verify that you spent the grant in accordance with the grant agreement. The audit report requires you to prepare a statement of grant income and expenditure. The report template is available on business.gov.au and GrantConnect.

12.4. Compliance visits

We may visit you during the project period to review your compliance with the grant agreement. We may also inspect the records you are required to keep under the grant agreement. We will provide you with reasonable notice of any compliance visit.

12.5. Grant agreement variations

We recognise that unexpected events may affect project progress. In these circumstances, you can request a variation to your grant agreement, including:

- changing project milestones
- changing project activities.

The program does not allow for an increase of grant funds.

If you want to propose changes to the grant agreement, you must put them in writing before the grant agreement end date. You can submit a variation request via our online portal.

If a delay in the project causes milestone achievement and payment dates to move to a different financial year, you will need a variation to the grant agreement. We can only move funds between financial years if there is enough program funding in the relevant year to allow for the revised payment schedule. If we cannot move the funds, you may lose some grant funding.

You should not assume that a variation request will be successful. We will consider your request based on factors such as:

- how it affects the project outcome
- consistency with the program policy objective, grant opportunity guidelines and any relevant policies of the department
- changes to the timing of grant payments
- availability of program funds.

12.6. Evaluation

The Treasury will evaluate the grant program to measure how well the outcomes and objectives have been achieved. We may use information from your application and project reports for this purpose. We may also interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the program was in achieving its outcomes.

We may contact you up to two years after you finish your project for more information to assist with this evaluation.

12.7. Grant acknowledgement

If you make a public statement about a project funded under the program, including in a brochure or publication, you must acknowledge the grant by using the following:

‘This project received grant funding from the Australian Government.’

13. Probity

We will make sure that the grant opportunity process is fair, according to the published guidelines, incorporates appropriate safeguards against fraud, unlawful activities and other inappropriate conduct and is consistent with the CGRGs.

13.1. Conflicts of interest

Any conflicts of interest could affect the performance of the grant opportunity or program. There may be a conflict of interest, or perceived conflict of interest, if our staff, any member of a committee or advisor and/or you or any of your personnel:

- has a professional, commercial or personal relationship with a party who is able to influence the application selection process, such as an Australian Government officer or member of an external panel
- has a relationship with or interest in, an organisation, which is likely to interfere with or restrict the applicants from carrying out the proposed activities fairly and independently or
- has a relationship with, or interest in, an organisation from which they will receive personal gain because the organisation receives a grant under the grant program/ grant opportunity.

As part of your application, we will ask you to declare any perceived or existing conflicts of interests or confirm that, to the best of your knowledge, there is no conflict of interest.

If you later identify an actual, apparent, or perceived conflict of interest, you must inform us in writing immediately.

Conflicts of interest for Australian Government staff are handled as set out in the Australian [Public Service Code of Conduct \(Section 13\(7\)\)³](#) of the *Public Service Act 1999* (Cth). Committee members and other officials including the decision maker must also declare any conflicts of interest.

We publish our [conflict of interest policy⁴](#) on the department’s website. The Commonwealth policy entity also publishes a conflict of interest policy on its website.

13.2. How we use your information

Unless the information you provide to us is:

- confidential information as per 13.2.1, or
- personal information as per 13.2.3,

we may share the information with other government agencies for a relevant Commonwealth purpose such as:

³ <https://www.legislation.gov.au/Details/C2019C00057>

⁴ https://www.industry.gov.au/sites/default/files/July%202018/document/pdf/conflict-of-interest-and-insider-trading-policy.pdf?acsf_files_redirect

- to improve the effective administration, monitoring and evaluation of Australian Government programs
- for research
- to announce the awarding of grants.

13.2.1. How we handle your confidential information

We will treat the information you give us as sensitive and therefore confidential if it meets all of the following conditions:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- disclosing the information would cause unreasonable harm to you or someone else
- you provide the information with an understanding that it will stay confidential.

13.2.2. When we may disclose confidential information

We may disclose confidential information:

- to the committee and our Commonwealth employees and contractors, to help us manage the program effectively
- to the Auditor-General, Ombudsman or Privacy Commissioner
- to the responsible Minister or Assistant Minister
- to a House or a Committee of the Australian Parliament.

We may also disclose confidential information if

- we are required or authorised by law to disclose it
- you agree to the information being disclosed, or
- someone other than us has made the confidential information public.

13.2.3. How we use your personal information

We must treat your personal information according to the Australian Privacy Principles (APPs) and the *Privacy Act 1988* (Cth). This includes letting you know:

- what personal information we collect
- why we collect your personal information
- to whom we give your personal information.

We may give the personal information we collect from you to our employees and contractors, the committee, and other Commonwealth employees and contractors, so we can:

- manage the program
- research, assess, monitor and analyse our programs and activities.

We, or the Minister, may:

- announce the names of successful applicants to the public
- publish personal information on the department's websites.

You may read our [Privacy Policy](#)⁵ on the department's website for more information on:

- what is personal information
- how we collect, use, disclose and store your personal information
- how you can access and correct your personal information.

13.2.4. Freedom of information

All documents in the possession of the Australian Government, including those about the program, are subject to the *Freedom of Information Act 1982* (Cth) (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

If someone requests a document under the FOI Act, we will release it (though we may need to consult with you and/or other parties first) unless it meets one of the exemptions set out in the FOI Act.

13.3. Enquiries and feedback

For further information or clarification, you can contact us on 13 28 46 or by [web chat](#) or through our [online enquiry form](#) on business.gov.au.

We may publish answers to your questions on our website as Frequently Asked Questions.

Our [Customer Service Charter](#) is available at business.gov.au. We use customer satisfaction surveys to improve our business operations and service.

If you have a complaint, call us on 13 28 46. We will refer your complaint to the appropriate manager.

If you are not satisfied with the way we handle your complaint, you can contact:

General Manager
Business Grants Hub
Department of Industry, Science and Resources
GPO Box 2013
CANBERRA ACT 2601

You can also contact the [Commonwealth Ombudsman](#)⁶ with your complaint (call 1300 362 072). There is no fee for making a complaint, and the Ombudsman may conduct an independent investigation.

14. Glossary

Term	Definition
Application form	The document issued by the Program Delegate that applicants use to apply for funding under the program.

⁵ <https://www.industry.gov.au/data-and-publications/privacy-policy>

⁶ <http://www.ombudsman.gov.au/>

Term	Definition
Department	The Department of Industry, Science and Resources.
Business as usual	Advisory services provided to small businesses either free or charged and the day-to-day operations of the organisation that are not funded by the program.
Culturally and linguistically diverse	Program clients that speak a language other than English at home.
Client	For profit small businesses across Australia including sole traders, who have a registered ABN and are trading.
Eligible activities	The activities undertaken by a grantee in relation to a project that are eligible for funding support as set out in 5.1.
Eligible application	An application or proposal for grant funding under the program that the Program Delegate has determined is eligible for assessment in accordance with these guidelines.
Eligibility criteria	The mandatory criteria, which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria.
Eligible expenditure	The expenditure incurred by a grantee on a project and which is eligible for funding support as set out in 5.4.
Eligible expenditure guidelines	The guidelines that are at Appendix A.
Financial Hardship	<p>For the purposes of waiving fees where the business self-declares a significant reduction of revenue in the past 12 months or the owner is in receipt of a Centrelink income support payment.</p> <p>Financial hardship exemptions may also be applied automatically in circumstances of natural disasters, extended COVID-19 lockdowns and declared states of emergency.</p>
Full time employees	Employees who usually work 35 hours or more per week.
Grant agreement	A legally binding contract between the Commonwealth and a grantee for the grant funding
Grant funding or grant funds	The funding made available by the Commonwealth to grantees under the program.
GrantConnect	The Australian Government's whole-of-government grants information system, which centralises the publication and reporting of Commonwealth grants in accordance with the CGRGs.
Grantee	The recipient of grant funding under a grant agreement.

Term	Definition
Guidelines	Guidelines that the Minister gives to the department to provide the framework for the administration of the program, as in force from time to time.
Indigenous Business	A business that is 50 per cent or more owned by a person, or persons, of Aboriginal or Torres Strait Islander background.
Minister	The Minister for Small Business.
Metropolitan coverage area	Businesses situated in capital cities and surrounding suburbs and includes areas of outer suburban expansion. Areas defined in the ABS Remoteness Area (RA) classifications as RA1 – Major cities of Australia.
Personal information	Has the same meaning as in the <i>Privacy Act 1988</i> (Cth) which is: Information or an opinion about an identified individual, or an individual who is reasonably identifiable: a. whether the information or opinion is true or not; and b. whether the information or opinion is recorded in a material form or not.
Program Delegate	A manager within the department with responsibility for administering the program.
Program funding or Program funds	The funding made available by the Commonwealth for the program.
Project	A project described in an application for grant funding under the program.
Regional coverage area	Businesses located outside metropolitan areas that may be clustered in regional cities and towns or spread throughout other rural and remote localities. Areas defined in the ABS Remoteness Area (RA) classifications as: RA2 – Inner regional Australia RA3 – Outer regional Australia RA4 – Remote Australia RA5 – Very Remote Australia
Small Business	A business with 19 or less full time (or equivalent) employees, including sole traders.

Appendix A. Eligible expenditure

This section provides guidance on the eligibility of expenditure. We may update this guidance from time to time: check you are referring to the current version from the business.gov.au website before preparing your application.

The Program Delegate makes the final decision on what is eligible expenditure and may give additional guidance on eligible expenditure if required.

To be eligible, expenditure must:

- be incurred by you within the project period
- be a direct cost of the project
- be incurred by you to undertake required project audit activities
- meet the eligible expenditure guidelines.

A.1 How we verify eligible expenditure

If your application is successful, we will ask you to verify the project budget that you provided in your application when we negotiate your grant agreement. You may need to provide evidence such as quotes for major costs.

The grant agreement will include details of the evidence you may need to provide when you achieve certain milestones in your project. This may include evidence related to eligible expenditure.

If requested, you will need to provide the agreed evidence along with your progress reports.

You must keep payment records of all eligible expenditure, and be able to explain how the costs relate to the agreed project activities. At any time, we may ask you to provide records of the expenditure you have paid. If you do not provide these records when requested, the expense may not qualify as eligible expenditure.

At the end of the project, you will be required to provide an independent financial audit of all eligible expenditure from the project.

A.2 Labour expenditure

Eligible labour expenditure for the grant covers the direct labour costs of employees you directly employ on the core elements of the project. We consider a person an employee when you pay them a regular salary or wage, out of which you make regular tax instalment deductions.

We consider costs for technical, but not administrative, project management activities eligible labour expenditure. However, we limit these costs to 10 per cent of the total amount of eligible labour expenditure claimed.

We do not consider labour expenditure for leadership or administrative staff (such as CEOs, CFOs, accountants and lawyers) as eligible expenditure, even if they are doing project management tasks.

Eligible salary expenditure includes an employee's total remuneration package as stated on their Pay As You Go (PAYG) Annual Payment Summary submitted to the ATO. We consider salary-sacrificed superannuation contributions as part of an employee's salary package if the amount is more than what the Superannuation Guarantee requires.

The maximum salary for an employee, director or shareholder, including packaged components that you can claim through the grant is \$175,000 per financial year.

For periods of the project that do not make a full financial year, you must reduce the maximum salary amount you claim proportionally.

You can only claim eligible salary costs when an employee is working directly on agreed project activities during the agreed project period.

A.3 Labour on-costs and administrative overhead

You may increase eligible salary costs by an additional 30% allowance to cover on-costs such as employer paid superannuation, payroll tax, workers compensation insurance, and overheads such as office rent and the provision of computers.

You should calculate eligible salary costs using the formula below:

$$\text{Eligible salary costs} = \text{Annual salary package} \times \frac{\text{Weeks spent on project}}{52 \text{ weeks}} \times \text{percentage of time spent on project}$$

You cannot calculate labour costs by estimating the employee's worth. If you have not exchanged money (either by cash or bank transactions) we will not consider the cost eligible.

Evidence you will need to provide can include:

- details of all personnel working on the project, including name, title, function, time spent on the project and salary
- ATO payment summaries, pay slips and employment contracts.

A.4 Contract expenditure

Eligible contract expenditure is the cost of any agreed project activities that you contract others to do. These can include contracting:

- another organisation
- an individual who is not an employee, but engaged under a separate contract.

All contractors must have a written contract prior to starting any project work—for example, a formal agreement, letter or purchase order which specifies:

- the nature of the work they perform
- the applicable fees, charges and other costs payable.

Invoices from contractors must contain:

- a detailed description of the nature of the work
- the hours and hourly rates involved
- any specific plant expenses paid.

Invoices must directly relate to the agreed project, and the work must qualify as an eligible expense. The costs must also be reasonable and appropriate for the activities performed.

We will require evidence of contractor expenditure that may include:

- an exchange of letters (including email) setting out the terms and conditions of the proposed contract work
- purchase orders
- supply agreements

- invoices and payment documents.

You must ensure all project contractors keep a record of the costs of their work on the project. We may require you to provide a contractor's records of their costs of doing project work. If you cannot provide these records, the relevant contract expense may not qualify as eligible expenditure.

A.5 Travel and overseas expenditure

Eligible travel may include

- domestic travel limited to the reasonable cost of accommodation and transportation required to conduct agreed project and collaboration activities in Australia

Eligible air transportation is limited to the economy class fare for each sector travelled; where non-economy class air transport is used only the equivalent of an economy fare for that sector is eligible expenditure. Where non-economy class air transport is used, the grantee will require evidence showing what an economy air fare costs at the time of travel.

A.6 Other eligible expenditure

Other eligible expenditures for the project may include:

- purchase of minor infrastructure equipment relevant to the delivery of the program such as computers, laptops and phones
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware that directly relates to the delivery of the project or to project support such as online booking and data collection systems
- staff training that directly supports the achievement of project outcomes
- financial auditing of project expenditure, the cost of an independent audit of project expenditure up to a maximum of 1 per cent of total eligible project expenditure

Other specific expenditures may be eligible as determined by the Program Delegate.

Evidence you need to supply can include supplier contracts, purchase orders, invoices and supplier confirmation of payments.

Appendix B. Ineligible expenditure

This section provides guidance on what we consider ineligible expenditure. We may update this guidance from time to time, so you should make sure you have the current version from the [business.gov.au](https://www.business.gov.au) website before preparing your application.

The Program Delegate may impose limitations or exclude expenditure, or further include some ineligible expenditure listed in these guidelines in a grant agreement or otherwise by notice to you.

Examples of ineligible expenditure include:

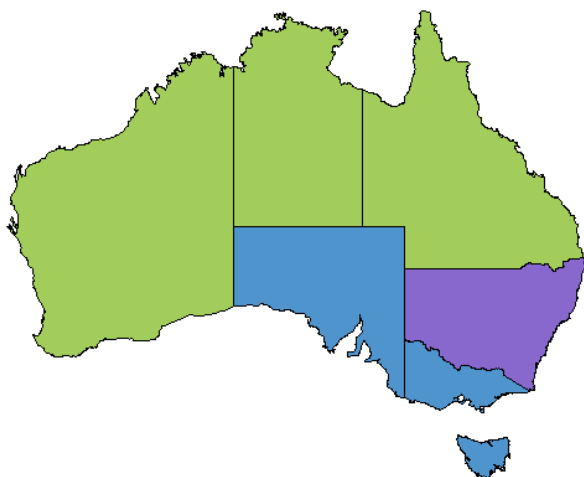
- activities, equipment or supplies that are already being supported through other sources
- costs incurred prior to us notifying you that the application is successful
- any in-kind contributions
- financing costs, including interest
- capital expenditure for the purchase of assets such as office furniture and equipment, motor vehicles, printers or photocopiers and the construction, renovation or extension of facilities
- costs involved in the purchase or upgrade/hire of software (including user licences) and ICT hardware (unless it directly relates to the project)
- costs such as rental, renovations and utilities
- non-project-related staff training and development costs
- insurance costs (the participants must effect and maintain adequate insurance or similar coverage for any liability arising as a result of its participation in funded activities)
- costs related to obtaining resources not used on the project, including job advertising and recruiting, and contract negotiations
- depreciation
- routine operational expenses, including communications, accommodation, office computing facilities, printing and stationery, postage, legal and accounting fees and bank charges
- costs related to preparing the grant application, preparing any project reports (except costs of independent audit reports we require) and preparing any project variation requests

This list is not exhaustive and applies only to the expenditure of the grant funds. Other costs may be ineligible where we decide that they do not directly support the achievement of the planned outcomes for the project or that they are contrary to the objective of the program.

You must ensure you have adequate funds to meet the costs of any ineligible expenditure associated with the project.

Appendix C. Breakdown of funding across coverage areas

Coverage areas



Area 1: NSW and ACT - 822,577 small businesses* (35.3%)

Area 2: QLD, NT, WA - 683,864 small businesses (29.4%)

Area 3: SA, VIC, TAS - 821,275 small businesses (35.3%)

* Estimated number of small businesses is based on [2021 ABS data](#) using the [Australian Statistical Geography Standard \(ASGS\), Remoteness Area methodology](#).

Data was converted from SA2 to the GCCSA classification using the ABS SA2 – 2021 concordance.

Number of small businesses by metropolitan and regional* parts of coverage areas

Area	Metro (no.)	Metro (%)	Regional (no.)	Regional (%)
Area 1 (NSW/ACT)	591,104	72%	231,473	28%
Area 2 (QLD/NT/WA)	394,836	58%	289,028	42%
Area 3 (SA/VIC/TAS)	626,796	76%	194,479	24%

* Regional numbers include small businesses in remote parts of coverage areas