

# GUIDELINES

## Microenterprise Development Grants Program 2022

### 1 Program Summary

#### 1.1 Background

Microenterprise Development enables economic inclusion for groups in the community who face barriers to employment, including unemployed or low-income earners and people who find themselves in transitional or precarious employment. Microenterprise is a highly effective pathway to economic independence for people with entrepreneurial mindsets, those from diverse backgrounds and cultural settings, and for people with the skills and personal circumstances most suited to self-employment.

#### 1.2 What is the Program?

The Department of Jobs, Precincts and Regions (**Department**) has developed the Microenterprise Development Grants Program to support the creation of sustainable microbusinesses and to improve the financial inclusion and economic independence of participants. The grant program is designed to assist priority groups including disadvantaged women, people with disability, Aboriginal people, young people and people from culturally and linguistically diverse (CALD) backgrounds.

Funding will be open to organisations with proven experience in delivering capability building programs that address socio-cultural constraints to economic participation and entrepreneurship for priority groups of Victorians (Projects). Successful Applicants will need to establish and deliver their Project within an 18-month timeframe and will build the capacity of Project participants to start and operate a microenterprise through developing their business skills, experience and personal confidence. Suitable organisations will have a deep understanding of the people and communities they work with and an ability to offer appropriate support and referrals.

#### 1.3 Program Objectives

The Microenterprise Development Grants Program aims to increase the number of Victorians able to establish a sustainable microenterprise, by:

- providing quality services to build microenterprise businesses and financial independence;
- providing targeted skills development, materials and support to Victorians in priority groups (see Project Eligibility); and
- providing culturally appropriate programs that assist participants to overcome barriers to economic inclusion.

#### 1.4 Program Outcomes

The intended outcomes of this Program include:

- a greater number of Victorians are equipped to start a microenterprise;
- participants will have the business skills and knowhow to build a sustainable microenterprise;
- strengthened financial literacy skills of participants;
- increased participation in the economy through self-employment, for participants excluded from mainstream employment pathways;

- increased participants transferrable skills for the broader labour market; and
- improvement in the confidence and wellbeing of participants.

## 2 Available Funding

The Victorian State Government is providing up to \$1.2 million to support the Microenterprise Development Grants Program between June 2022 and Dec 2023. The Program offers grants up to \$300,000 (excl. GST) to eligible organisations through a competitive assessment process.

### 2.1 Co-contribution considerations

Applications will be favourably considered within the assessment on the basis of a co-contribution. Applicants are required to outline their co-contribution, cash and/or in-kind.

In-kind contributions may not include contributions that are part of the organisation's existing operational expenditure.

Funds from other Local, State or Commonwealth Government programs cannot form part of the Applicant's co-contribution.

## 3 Eligibility Criteria

### 3.1 Eligible Applicants

Applicants must meet the following criteria to be eligible:

- a) be an incorporated organisation with not-for-profit status
- b) have a business address in Victoria and conduct the proposed activities in Victoria
- a) hold an Australian Business Number (ABN) at the date of application
- c) be registered for GST at the date of application
- d) have been in operation for at least 2 years
- e) have experience in delivering programs that address social and/or cultural barriers to economic participation

### 3.2 Ineligible Applicants

The following are not eligible to apply:

- a) a Commonwealth, State and Local government agency or public body
- b) a company not incorporated in Australia
- c) an incorporated trustee on behalf of a trust
- d) an industry association or business chamber
- e) a publicly funded research organisation
- f) a private or for-profit business

## 4 Project Eligibility

A Project proposed for grant funding must deliver a tailored program with activities that support the objectives of this Program. Existing programs can be considered where they clearly describe the Project as an extension or expansion to a current offering. Detail must be provided about the parameters of the Project, including what makes it a new Project (program modifications) and who it

will reach (additional participants). A Project must be based in Victoria and work with people who wish to start their own microenterprise, from one or more from the list of priority groups:

- Women experiencing disadvantage (including: facing barriers to employment, over 45 years, impacted by family violence)
- Young People (18 to 25 years)
- Low-income or unemployed people
- Aboriginal people
- People who are Culturally and Linguistically Diverse (CALD)
- People with a disability
- Projects should work closely with community organisations and relevant stakeholders to deliver holistic support for participants.
- Projects should include culturally appropriate service delivery that is tailored to a priority group/cohort.

#### **4.1 Eligible Activities**

Activities within a Project must deliver against the Program objectives as outlined in these Program Guidelines. These activities must meet COVIDSafe requirements and be accessible to all participants. Activities should be adaptable to support remote program delivery when required and include flexible delivery methods that support various learning styles.

Examples of eligible activities include:

- microenterprise support that develops capability to start and operate a small/microbusiness, including skill development across small business domains, such as financial literacy, systems and processes, sales, marketing, logistics and digital support
- mixed methods of delivery including on-line, in person one to one support, workshops and/or group activities
- coaching and/or mentoring
- networking opportunities and culturally appropriate supports

#### **4.2 Ineligible Activities**

- Programs or activities that are considered core business of the Applicant and cannot be adequately justified as a new and/or discrete Project.
- Activities that do not meet the objectives of this Grant Program or align with these Program Guidelines, including the terms and conditions.

#### **4.3 Eligible Expenditure**

Eligible expenditure includes Project-related non capitalised expenditure required to deliver the Project and Project related costs incurred by the organisation. Successful Applicants must meet the cost of any additional and ineligible expenditure associated with their Project.

Eligible expenditure includes:

- Expenses related to an organisation's ability to administer and support the Project and its activities

- Materials and collateral needed to carry out the Project, such as marketing and promotion of the Project
- Staffing costs that relate solely to new Project employees, or expansion of hours for current part-time employees who are working on the funded Project

Not all expenditure may be eligible for grant funding. The Department will make the final determination regarding what is eligible expenditure at its discretion.

Successful Applicants must meet the cost of any additional and ineligible expenditure associated with their Project.

#### **4.4 Ineligible Expenses**

The following are ineligible activities:

- Capital expenditure
- Costs that are already funded or partially funded by government
- Retrospective funding, where Projects approved for funding have commenced work or activity prior to funding approval. Where a Project is approved as an extension or expansion of an existing Program, only expenditure from the commencement date of the grant agreement will be considered as eligible expenditure
- Business as usual operational expenditure, including existing staff costs, communications, travel, entertainment, accommodation and office computing equipment (software and hardware)
- Non-specific indirect and overhead costs
- Basic and routine professional services including legal and accounting fees
- Projects that require ongoing or recurrent funding to succeed or deliver benefits
- Costs of works and activities that are reimbursable under other funding sources, including insurance
- Passing on the funding to a third party in the form of a sponsorship, grant, cash prize or commercial gift

## **5 Project Timeline**

- Notification of application outcomes are expected to be within 10 weeks of application close date (see below 7.2).
- Successful Applicants must commence their Project prior to 20 June 2022. An executed Grant Agreement with the Department must be in place prior to Project commencement.
- Approved Projects must be completed by 5 December 2023.
- Post-completion reports to be finalised within three months of completing the Project and by no later than 30 March 2024.

## **6 Assessment Process**

A Departmental assessment panel will assess all applications. The panel will:

1. Review and score applications individually against the assessment criteria (see section 6.1)
2. Rank all Projects against each other

3. Consider the allocation of funding in relation to distribution across geographical locations, and reach to a range of cohorts to optimise the policy outcome sought by the Department
4. Re-position the Project ranking after reflecting on the priority allocation criteria in point (3) above
5. Determine the number of applications that will be recommended subject to available funding
6. Recommend the applications for approval

The Department's decisions on all matters pertaining to the award of grant funding under this Program are at the Department's absolute discretion. This includes awarding a lesser amount than that applied for and amending funding conditions without notice.

### 6.1 Assessment Criteria

An application must address each assessment criterion and make the best possible case for funding. Claims made against each criterion must be substantiated and full details of all underlying risks and assumptions should be clearly stated. Supporting documentation must be attached (See section 8).

All supplementary attachments and information provided as part of the application will be taken into consideration during the assessment process.

| Assessment Criteria  | Considerations  | Weighting |
|--|---|-----------|
| <b>1) Project Outcomes</b><br><i>The extent to which the Project aligns with the Grant Program objectives and outcomes.</i>                          | <ul style="list-style-type: none"> <li>• The Project has identified one of the target groups it intends to work with (<i>see priority list at section 4 Project Eligibility</i>).</li> <li>• The funded activities are fit for purpose for the target group of participants.</li> <li>• The Project identifies ways in which it will support participants to develop the skills and competencies to start and operate their microenterprise.</li> <li>• The Project identifies ways in which it will support participants to develop skills and confidence and overcome barriers to economic inclusion.</li> </ul> <p>(refer to 1.2, 1.3 and 1.4 of the Program Guidelines)</p> | 30%       |
| <b>2) Project Delivery</b><br><i>The extent to which the Project will be delivered effectively and appropriate to the needs of the participants.</i> | <ul style="list-style-type: none"> <li>• A detailed Project that is fully costed and deliverable within an 18 month time frame.</li> <li>• Approach for participant attraction and selection.</li> <li>• Approach and technical ability to deliver face to face and virtual activities, including how to support accessibility for participants and adherence to COVIDSafe requirements.</li> <li>• Established supportive local partnerships and networks.</li> </ul>  | 30%       |

|  |  |     |
|--|--|-----|
|  | <ul style="list-style-type: none"> <li>Culturally appropriate activities and resources required to deliver the Project.</li> </ul>   |     |
| <b>3) Capacity, experience, and expertise</b><br><i>Demonstrated capability and capacity to successfully deliver the Project.</i>          | <ul style="list-style-type: none"> <li>The organisation has sufficient dedicated resources to manage the grant and deliver the Project within the outlined timeframe.</li> <li>Previous experience delivering microenterprise development.</li> <li>Demonstrated understanding of working with disadvantaged participants and a deep knowledge of at least one of the priority cohorts.</li> <li>Details of the contingency arrangements proposed in the event of any disruption to Project delivery, particularly in relation to COVID-19.</li> </ul> | 20% |
| <b>4) Project demand and value for money</b><br><i>The extent to which the Applicant has identified demand and presents Project value.</i> | <ul style="list-style-type: none"> <li>The Project provides a clear scope and represents value for money, including evidence of co-contribution (cash and/or in-kind).</li> <li>Evidence of demand for this Project in relation to the needs and suitability of the identified priority group.</li> </ul>  | 20% |

## 6.2 Due Diligence Assessments

Applicants are subject to a risk assessment which verifies business details provided with the Australian Business Register, Australian Securities and Investment Commission, Australian Charities and Not-for-profits Commissioner, Consumer Affairs Victoria and/or other applicable regulator.

Any of the following circumstances may be taken into consideration in any decision whether to award a grant:

- Any adverse findings by a regulator regarding an Applicant.
- An Applicant is placed under external administration.
- There is a petition to wind up or deregister the Applicant.
- The Applicant is or becomes deregistered or unregistered (including cancellation or lapse in registration).

The Department will undertake a financial assessment of the Applicant to assess the ability of the Applicant to deliver the proposed Project. Outcomes from the financial assessment may be taken into consideration in any decision to recommend and award the grant.

The Department may at any time, remove an Applicant from the application process, if in the Department's opinion association with the Applicant may bring the Department, a Minister or the State of Victoria in disrepute.

## 7 Application Process

### 7.1 Prepare an Application

Applicants must undertake the following steps to apply:

1. Carefully read these Program Guidelines and confirm eligibility for this grant
2. Compile all necessary supporting documents to apply as detailed in the 'Documentation and Information Requirements' section of these Program Guidelines.
3. Submit application online via the Program website.
4. Await email confirmation of application submission. Please check spam/junk mail if confirmation email cannot be seen in your inbox.

### 7.2 Open and Close Dates

|                    |            |
|--------------------|------------|
| Applications Open  | 21/03/2022 |
| Applications Close | 10/04/2022 |

- Applications must be submitted in the portal by **11:59pm on the closing date**. Please note that late applications will not be accepted.
- All Applicants will be advised in writing via email of the outcome of their application approximately ten weeks from the closing date.

## 8 Documentation and Information Requirements

Applications must include the following documentation:

| Requirement   |
|---|
| <p><b>Project Plan</b></p> <ul style="list-style-type: none"><li>• Project description and expected outcomes</li><li>• Overview of the implementation timeline</li><li>• Evidence of sufficient internal resources to allocate to the Project</li><li>• Clearly identified participants and how they will be recruited</li><li>• Outline of previous experience delivering microenterprise development</li><li>• Any Project risks and mitigation strategies</li><li>• Budget summary (detailing how grant funds and the Applicant's contribution if applicable will be spent on eligible Project expenditure)</li></ul>  |
| <p><b>Financial Records</b></p> <p>Applicants must provide evidence that demonstrates, to the satisfaction of the Department, that the Applicant is financially viable and able to deliver the Project and its outcomes. This requires at a minimum, the provision of the following:</p> <ul style="list-style-type: none"><li>• Audited Financial Reports from the last two years (including Profit &amp; Loss, Balance Sheet, Cash Flow Statement, and notes to the accounts). If accounts are not audited, unaudited accounts from an Accountant will be accepted.</li><li>• Up to date management or interim accounts for the current year, if the most recent Financial Report is more than six months old. Also, in the case of public listed corporations, a half yearly financial report.</li></ul> |

- Current Business Plan incorporating financial projections (Profit & Loss, Balance Sheet and Cash Flow Statement)

#### **Other support materials (optional)**

These may include evaluations, studies, plans or other evidence such as letters of support from stakeholders who can speak to the capacity, capability and performance of the organisation in relation to the proposed Project.

## **9 Conditions of Funding**

### **9.1 Grant agreements**

If successful, Applicants will be invited to enter into a legally binding Grant Agreement with the Department. The Grant Agreement details all funding obligations and conditions.

The funding offer may be withdrawn if the Grant Agreement is not executed and returned to the Department by the successful Applicant by the date to be set by the Department (anticipated to be 14 days from the date the Department sends the Grant Agreement to a successful Applicant).

The Project must not commence until a grant agreement has been duly executed by both the Department and the successful Applicant.

Once the agreement has been executed, the successful Applicant will be required to commence the Project within the agreed timeframe. If a successful Applicant does not commence the Project by the commencement date, the Department may terminate the agreement in accordance with its terms.

### **9.2 Publicity/Acknowledgement**

Successful Applicants must agree to cooperate with the Department in the promotion of the program. This may include involvement in media releases, case studies or promotional events and activities.

Successful Applicants must not make any public announcement or issue any press release regarding the receipt of a grant without prior written approval from the Department.

The Department may publicise the benefits accruing to the successful Applicant and/or the State associated with the provision of the grant and the State's support for the Project. The Department may include the name of the successful Applicant and/or grant amount in any publicity material and in the Department's annual report.

The Department may request successful Applicant fact checks any text and seek approval to use any owned imagery associated with the activity prior to the publication of any such promotional materials.

If requested by the Department, the successful Applicant must ensure that the State's support for the grant is acknowledged on all promotional materials and appropriate signage consistent with the Program Guidelines for Victorian Government Advertising and Communications or as otherwise specified by the Department.

## **10 Reporting for Program Evaluation**

As a condition of funding, successful Applicants will be required to participate in any Program monitoring and evaluation activities initiated by the Department. This may include completing surveys throughout the Program to measure progress to achieving outcomes, and for up to three years after Program completion. Non-compliance could impact future applications to the Department's Programs.



Reporting is critical to the department in understanding program impact, supporting continuous improvement in program design and delivery, and delivering more effective grant programs to the people of Victoria.

## 11 Privacy and confidentiality

Information provided by the Applicant for the purpose of this application will be used by the Department for the purposes of assessment of applications, program administration and program review. In making an application, the Applicant consents to the provision of their information to State and Commonwealth Government departments and agencies for the purpose of assessing applications. If there is an intention to include personal information about third parties in the application, please ensure they are aware of and consent to the contents of this privacy statement.

Any personal information about the Applicant or a third party will be collected, held, managed, used, disclosed or transferred in accordance with the provisions of the *Privacy and Data Protection Act 2014* (Vic) and other applicable laws.

Enquiries about access to personal information, or for other concerns regarding the privacy of personal information, can be emailed to the Department's Privacy Unit by emailing [privacy@ecodev.vic.gov.au](mailto:privacy@ecodev.vic.gov.au). A copy of our privacy statement is located at [www.djpr.vic.gov.au/privacy](http://www.djpr.vic.gov.au/privacy)

## 12 Absolute discretion

The Department's decisions on all matters pertaining to the recommendation of grant funding under this Program is at the Department's absolute discretion. This includes not making any funding available, approving a lesser amount than that applied for and amending funding conditions prior to executing a grant agreement without notice.

The Department reserves the right to request the Applicant provide further information should it be deemed necessary.

The Department reserves the right to amend these Program Guidelines and the application terms at any time as it deems appropriate.

### 12.1 Disrepute

The Department may at any time, remove an Applicant from the application and assessment process, if in the Department's opinion association with the Applicant may bring the Department, a Minister or the State of Victoria in disrepute.

## 13 Goods and Services Tax (GST)

Payments will include the grant amount plus GST. Your invoice to DJPR should show the total amount of the grant plus the required GST.

## 14 Conflict of Interest

A conflict of interest is a situation in which someone in a position of trust or influence has competing professional or personal interests.

Applicants must advise the Department of any real or perceived conflict of interest relating to a Project for which it has applied for funding.

Conflicts of interest for Victorian Government staff assessing the application will be handled as set out in the Code of Conduct for Victorian Public Service Employees (Section 61) of the Public Administration Act 2004 (VIC)

## 15 Use of Third Party Grant Writers

If a third-party grant writer is used:

- Applicants are reminded that they are responsible for ensuring all information in the application is accurate and correct
- any generic responses to questions in the application may detract from success in the application assessment stage
- the Department reserves the right to seek proof of any data or information provided in the application
- no part of any approved grant amount can be applied to the costs of a third party grant writer
- a declaration letter acknowledging that Applicants have reviewed and accept the content of the application submitted must be attached to the application.

## 16 Further Resources

Further information regarding this Program can be found here: <https://business.vic.gov.au/grants-and-programs/microenterprise-development-grants-program-2022>

If you have any questions during the application period, please contact [SPE@ecodev.vic.gov.au](mailto:SPE@ecodev.vic.gov.au)