DEFENCE INNOVATION NETWORK

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NSW GOVERNMENT

Australian Government
Department of Defence
Science and Technology

DEFENCE INNOVATION NETWORK
SEED PROJECT GRANTS

GUIDELINES FOR APPLICANTS
ROUND 3 -2018/19

www.defenceinnovationnetwork.com

1. Scheme Purpose

1.1. The DIN Seed Project Funding Scheme is a competitive program that supports collaboration between NSW-based small businesses and DIN member universities. The scheme is administered by the NSW Defence Innovation Network and funded by the NSW Government.
1.2. The DIN will provide 1:1 matching funds for industry-led R&D projects co-developed by both industry and university members.
1.3. The purpose of the Scheme is to grow defence industry capability within New South Wales. DIN Seed Projects should demonstrate clear impact to satisfy an existing or emerging defence need.
1.4. Applications for Seed Project are solicited by formal call-outs posted on the DIN website , associated networks and publications.

2. Support available

2.1. Successful proposals can be funded up to $50,000 per project to match industry cash contributions.
2.2. Projects are expected to be completed within 12 months, with a typical research and development program scoped for 2-6 months.
2.3. Total funding, including industry and DIN contributions, must be paid and used for research & development activities at the DIN Member University.
2.4. Industry may leverage their cash contribution from other funding schemes like Innovation Connections.

3. Eligibility criteria

3.1. DIN Seed Projects must be led by a small business in collaboration with a DIN member university.
3.2. To be eligible for DIN Seed Project funds, an industry partner must:

- Be a small-to-medium company (up to 200 employees) located in NSW
- Have an Australian Business Number (ABN) and be registered as a company or trust

3.3. Industry applicants are not eligible for DIN Seed Project Funds if they are

- a subsidiary of a large international company, albeit with a small local presence
- exempt from income tax
- a Commonwealth, state or local government agency or body

4. Use of funds

4.1. Funding from the DIN Seed Project Grant Scheme will be in the form of a cash contribution following the execution of Agreements.

4.2. Cash contributions from the Industry Partner must be transferred to a DIN Member University upon execution of the Agreements.

4.3. Funds must be used to directly support research project described in the application and must be spent at Partner University. Funds can be applied to the following:

- *Direct salary costs* for academic researchers working on the project including chief investigators, early career researchers, research assistants etc.
- *On-cost salary expenses* up to maximum of 30% of direct salary costs and consistent with the university policy. On-costs must be itemised in the application and can only include the following items: superannuation, payroll tax, payroll tax on superannuation, workers compensation, long service leave, and maternity leave. Universities must submit their on-cost salary expenses itemised by each category as the attachment of the application form.
- *Equipment, software, material and consumables* essential for the project. Funding will not be provided for equipment and consumables purchased by the industry partner, considered to be for broad general use or already held by the university.
- *Travel costs* essential to the project for the researchers working on the project
- *Stipends for HDR students* working on the project

4.4. Budget items which are not supported by the Seed Project funding and should NOT be requested in the budget include:

- *Infrastructure (overhead) costs* related to general operations of the university shared among projects and functions
- *Salaries of industry partners* working on the project
- *Equipment, software, material and consumables* purchased and used by the industry partner
- *Costs not directly related to the project* including but not limited to conference fees, workshop expenses, entertainment costs, professional membership fees, professional development courses, visas, relocation costs, insurance and other indirect costs

4.5. All expenses must be itemised in a budget section of the grant application. Funds must be spent in accordance with this budget and any requests for variations must be made to the Defence Innovation Network Manager and approved in advance.

4.6. The DIN reserves the right to tailor funding support according to what it believes is required to assist with the project delivery.

5. Application process & timeline

5.1. Application for the DIN Seed Project Grants is a one stage process.

5.2. Applicants must submit an electronic copy of their application by the due date to info@defenceinnovationnetwork.com

5.3. The timeline of the application process is as follows:

23-Sep-19	Call for Proposals- Applications open
15-Nov-19	Applications close
13-Dec-19	Technical Review Panel Assessment
16-Dec-19	Successful Applicants announced
Jan-Feb 20	Contracting & Start of projects

5.4. All applicants are expected to communicate with DIN Coordinator at participating university to ensure that they have optimum visibility of progress of intended submissions.

- *University of Wollongong:* Robert Beretov
- *University of Western Sydney:* Andre Urfer, Sally Byrnes
- *University of Sydney:* Richard Cislowski
- *University of Technology Sydney*: Lesley Hine, Veena Dodballapur
- *University of New South Wales:* Mick Cook
- *Macquarie University:* Mark Berlage
- *University of Newcastle:* Sally Whittaker

5.5. Applicants should clearly identify in their application (including attachments) any information that must be treated as confidential.

6. Selection criteria and selection process

6.1. Seed Project grant scheme is administered by the Defence Innovation Network. DIN will collect applications and conduct an initial assessment for completeness and eligibility.

6.2. All applications undergo competitive assessment by a Technical Review Panel that evaluates eligible applications for funding allocations based on the following selection criteria:

- Identified Need in Defence (technology or capability)
- Novelty and potential to become world leading
- Technical/ Scientific Merits, Scientific and Technical Risk, Best Collaborative Team
- Potential for impact and implementation pathway
- Capacity and capability of applicants to commercialise project IP

6.3. All applicants will be informed of the outcomes of the Technical Review Panel, with feedback on decisions for funding allocation. The outcomes of the DIN Seed Project call-out must remain confidential until otherwise advised by the Defence Innovation Network.
6.4. Unsolicited applications may be deferred for assessment and approval to the next scheduled round of Seed funding.
6.5. For more information, refer to:

- Annexure A: The Technical Review Panel for DIN Seed Projects
- Annexure B: Assessment Criteria
- Annexure C: Project Assessment

7. Funding Agreements, Intellectual Property

7.1. All applicants who are successful and who accept the offer of a grant will be required to enter into formal Agreements that will specify obligations and accountabilities of the recipients.
7.2. The Defence Innovation Network will endeavour to complete the assessment and contracting processes as quickly as possible. Hence, the DIN Coordinators of universities involved with Seed Projects must:

- Liaise with the industry partner shortly after the application submission deadline in order to negotiate a research contract between the business and their university (Contract 1); and
- Liaise with the DIN after a funding offer for a Seed Project has been made in order to execute a Multi-Institutional Agreement between the Defence Innovation Network (represented by UTS) and lead university (Contract 2)

7.3. All contracts must be signed within **30 business days** of receipt of draft contract.
7.4. Contracts must be fully executed before DIN Seed funding is transferred and projects commence.
7.5. Intellectual Property arrangements will be negotiated on case by case basis between the industry partner and participating DIN Member University.
7.6. In general, the DIN supports the arrangement where the industry partner contributing to the project owns the project IP, and has the right to commercialise it. DIN Member universities retain a royalty-free license in perpetuity to pursue research that uses or builds on project IP. Owners of the background IP will provide access to such background IP, subject only to terms of access being negotiated in good faith.

8. Reporting Requirements & Acknowledgement

8.1. The Chief Investigator from the DIN Member University will be required to provide a final report on project outcomes to the DIN (administered by the University of Technology Sydney). Final reports must be submitted to info@defenceinnovationnetwork.com within 2 months of the project end date negotiated in the Agreement.

8.2. The final report consist of a technical report and a financial acquittal. The DIN member university must submit a financial acquittal for the project as a whole.

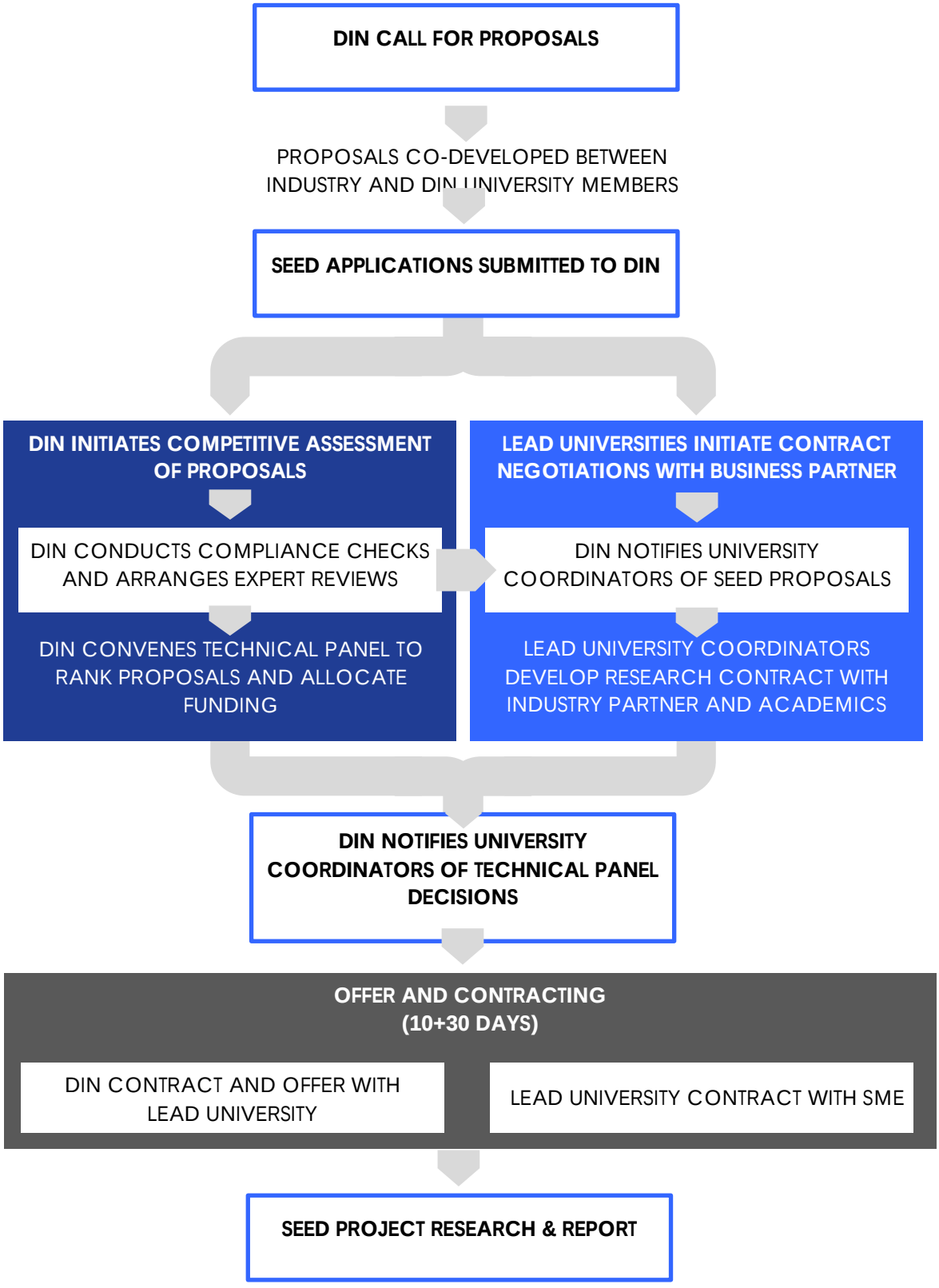
8.3. All expenditure must be in accordance with the project description and broad structure of the proposed project cost detailed in the proposal. The DIN member university must retain all evidence of the expenditure.

8.4. All changes to project cost or roll-over of the funds must be justified and approved by the DIN (administered by the University of Technology Sydney).

8.5. Publications containing material or research findings from a DIN Seed Project activity must include acknowledgement of DIN Seed project funding and the NSW Government in a form: *"We thank the NSW Defence Innovation Network and NSW State Government for financial support of this project through grant DINSP-1x-xx."*

8.6. The DIN reserves the right to promote supported Seed projects through its communication channels including media releases, DIN website, newsletters, tradeshows, and the annual report.

8.7. A brief description of Seed Projects will be recorded in the DIN annual report with the following information: applicant organisation, university collaborator, grant amount, project cost and project title. Applicants may be requested to provide a description of their project or personal experience with a DIN Seed Project for case studies or press releases, on a strictly voluntary basis.


DIN CALL FOR PROPOSALS
PROPOSALS CO-DEVELOPED BETWEEN INDUSTRY AND DIN UNIVERSITY MEMBERS
SEED APPLICATIONS SUBMITTED TO DIN
DIN INITIATES COMPETITIVE ASSESSMENT OF PROPOSALS
DIN CONDUCTS COMPLIANCE CHECKS AND ARRANGES EXPERT REVIEWS
DIN CONVENES TECHNICAL PANEL TO RANK PROPOSALS AND ALLOCATE FUNDING
LEAD UNIVERSITIES INITIATE CONTRACT NEGOTIATIONS WITH BUSINESS PARTNER
DIN NOTIFIES UNIVERSITY COORDINATORS OF SEED PROPOSALS
LEAD UNIVERSITY COORDINATORS DEVELOP RESEARCH CONTRACT WITH INDUSTRY PARTNER AND ACADEMICS
DIN NOTIFIES UNIVERSITY COORDINATORS OF TECHNICAL PANEL DECISIONS
OFFER AND CONTRACTING (10+30 DAYS)
DIN CONTRACT AND OFFER WITH LEAD UNIVERSITY
LEAD UNIVERSITY CONTRACT WITH SME
SEED PROJECT RESEARCH & REPORT

ANNEXURE A: THE TECHNICAL REVIEW PANEL FOR DIN SEED PROJECTS

The purpose of the DIN Seed Project Technical Review Panel (TRP) is to assess suitability and allocate funding to proposed projects based upon their evaluation of the proposals submitted for that round and the feedback of expert reviewers.

The Technical Review Panel is a subcommittee of the DIN Steering Committee. The TRP will have the following membership, with individuals nominated and approved by the Steering Committee[1]:

- DIN Director and DIN/DST Associate Director
- Defence Advocate or delegate
- NSW Office of the Chief Scientist & Engineer or delegate
- 2x NSW industry members from the DIN Steering Committee
- 1x NSW university member from the DIN Steering Committee
- 1x external DST Group representative or Defence delegate

The Chair of the DIN Seed Technical Review Panel will be either the DST Group Associate Director of the DIN, or appointed by the DIN Steering Committee.

The Technical Review Panel Chair will:

- ensure that Seed proposals up for review will be distributed to Panel members at least two weeks before the Technical Review Panel is convened
- ensure that feedback from expert reviewers is provided as soon as possible
- manage conflict of interest issues
- record the recommendations of the Technical Review Panel
- report on proceedings and recommendations of the Technical Review Panel for consideration by the Steering Committee

Members of the DIN Seed Project Technical Review Panel will be expected to:

- declare any conflict of interest
- agree to confidentiality terms
- abstain from corresponding with applicants or interested parties relating to the proposal during or after the review process
- review the proposals against the selection criteria, and provide an objective appraisal against these criteria
- participate in the Technical Review Panel meeting, and supporting meetings if required[2]

[1] All TRP nominees will be considered with respect to managing conflicts of interest.
[2] These are expected to occur only rarely and under extraordinary circumstances.

Conflict of Interest

During the technical review process, the DIN will endeavour to eliminate conflicts of interest. If a reviewer believes they have a conflict of interest, they will be expected to explain their conflict of interest and withdraw themselves from the review process, with the understanding that they may be replaced by an alternate reviewer sourced by the DIN.

Conflicts of interest may be:

- Direct; i.e. you are an interested party in a proposal;
- Indirect; i.e. you have an association with one or more of the institutions involved in the proposal;
- Involvement in a competing proposal or business; i.e. you have an involvement that is direct or indirect with a competing proposal or business activity.

The Technical Review Process

In principle, the DIN will co-fund research at any Technical Readiness Level (TRL) that can be thought of as generating new ideas, developing emerging ideas, and leveraging proven ideas. The reviewer should judge the proposal accordingly.

Applicants are required to submit proposals using a standard template. Applicants are allowed to include supporting documents that provide evidence to support their proposal. The reviewer is expected to assess the proposal on the basis of the application and supporting documents, and is allowed to consider other information of relevance as required.

Proposals will be distributed to technical matter experts who will to score the proposal against specific criteria (Annexure B), and provide an objective appraisal of the proposal against these criteria. The purpose of these criteria is to support consistency across various applicants, research domains and reviewers. To assist discussion among Technical Panel reviewers, a one-page assessment template is provided in Annexure C.

Where possible, reviewers should provide explanatory text to support their ratings; this can include references to supporting key evidence such as, for example, scientific publications, strategic guidance documents, and patent information. Reviewers should ensure that their comments support the score and fairly reflect the assessment, and are accurate, professional, and honest. Reviewers are asked to rate the confidence of their assessment based on their institutional expertise (e.g., Defence, Industry, Academia, Government Research).

ANNEXURE B: ASSESSMENT CRITERIA

The following defines the criteria used for assessment of Projects. Reviewers will assess only those criteria allocated to them. If any clarification is required on criteria, please contact the Defence Innovation Network.

FOR SEED PROJECTS, THE FOLLOWING CRITERIA WILL APPLY:

- Identified need in Defence (technology or capability)
- Novelty and potential to become world leading
- Technical / Scientific Merits, Scientific and Technical Risk, Best Collaborative Team
- Potential for impact and implementation pathway
- Capacity and capability of the SME to commercialise project IP

1. Novelty and potential to become world leading

What is the quality of the proposed research, science, or technology, or related activities?

You may wish to particularly consider:

- The novelty and originality of the proposal. The idea itself does not have to be novel, but the sum of the idea and the application must be distinctive. We are looking for 'fresh thinking' rather than an obvious extension of existing research. If you are aware of similar work please provide a reference and identify how your proposal can be distinguished from this work. Similar work will not necessarily disqualify a proposal.
- The scientific credibility of the idea and its logic. Is the scientific basis for the idea established well in the proposal?
- The quality of the science, description of critical steps (including go/no-go steps), and methodology. Is the proposed research fit for purpose for the proposed outcome and impact sought?
- The degree of scientific rigour, e.g., the accuracy of the approach and hypothesis. Please provide advice on how either might be improved.
- The scientific risks and uncertainties identified in the proposal. Any omissions and how they are managed. Are the timescales realistic? Is the size of risk, and plans to mitigate that risk, consistent with the stage of research?

2. Technical feasibility and risk

When reviewing the proposal, it would be valuable if you can consider and comment on the following questions in your scoring and commentary:

- What are the strengths and highlights of the proposed research?
- What are the deficiencies or weaknesses of the proposed research?
- What are the concerns or issues around the proposed research?

3. Best collaborative team

- Do the team members possess the necessary expertise consistent with the needs of the project?
- Does the team represent a collaborative effort between DIN member universities?

4. Potential for impact and implementation pathway

You may wish to consider:

- Has the applicant clearly articulated how this opportunity can be transformative for Defence or the defence industry / company in the future?
- Is the proposed implementation pathway credible relative to the proposed stage of research, bearing in mind the TRL or the research?
- Are the scale and breadth of proposed benefits credible given the area of impact and are these consistent with the outcomes of the proposal?

RANKING SYSTEM

1. Identified Need in Defence

- **None [0]:** No obvious relationship to Defence S&T priorities
- **Low [1]:** Peripheral relationship to Defence S&T priorities (substantial modification would be required to apply the outputs to a Defence problem)
- **Medium [2]:** Research is closely related to a Defence problem or that is developing a technology of direct relevance to a Defence application. One industry partner is involved.
- **High [3]:** Working directly on a Defence problem in partnership with Defence. Two or more industry partners are involved.

2. **Novelty and potential to become world leading**
   - **None [0]:** Is routine and presents little or no novelty.
   - **Low [1]:** Displays some novelty but the outcomes are likely to be incremental.
   - **Medium [2]:** Is differentiated, will lead to notably improved technology.
   - **High [3]:** Distinctive approach that is highly likely to produce leading innovations or capability.

3. **Technical/Scientific Merits; Scientific and technical risk (science component)**
   - **Low [0]:** The Proposal is uncompetitive and has significant weaknesses or flaws, such as a poorly developed or costed plan, no demonstrated ability that the investigators can deliver on the proposed research, or a lack of novelty or value. Risks are poorly articulated or are unmitigated.
   - **Good [1]:** An interesting proposal. Developing expertise amongst investigators. Some concerns about either the resource estimate or the ability of the researchers to deliver based on their understanding of the state of the art or their track record. The proposal may lack a compelling element. Risks are partly identified or inadequately mitigated. Risks outweigh benefits.
   - **Excellent [2]:** High quality research and a strongly competitive proposal. Investigators have provided evidence of previous ability to deliver. Risks have been well articulated and mitigated although some residual risks might remain. The potential benefits outweigh potential risks.
   - **Outstanding [3]:** Of the highest quality and at the forefront of research in the field. Well budgeted for the proposed statement of work. Sound track record of investigators. Risks have been adequately identified and mitigated.

4. **Technical/Scientific Merits; Scientific and technical risk (collaboration/team component)**
   - **None [0]:** The team consists of an individual lead researcher (with or without students, research associates) or has inadequate expertise to lead to a successful outcome.
   - **Low [1]:** The team consists of two lead researchers from the same institution (with or without students, research associates)
   - **Medium [2]:** The team consists of two lead researchers from different institutions (with or without students, research associates) with fit for purpose expertise.
   - **High [3]:** The team clearly has been assembled to encapsulate the best expertise from across the DIN.

5. **Potential for impact and implementation pathway**
   - **Low [0]:** The proposal demonstrates low impact and/or a poorly articulated implementation pathway.
   - **Good [1]:** The proposal shows some impact and/or a reasonably well-developed implementation plan.
   - **Excellent [2]:** The impact is likely to be significant and the implementation plan credible.
   - **Outstanding [3]:** There is likely to be high impact if successful and the implementation plan is clear, credible and contains specific and detailed end use information.

6. **Capacity and capability of the SME to commercialise project IP**
   - **None [0]:** The applicant is an early stage start-up with little or no demonstrated ability to commercialise the IP.
   - **Low [1]:** The SME has some presence as a supplier of products and/or services relevant to defence needs.
   - **Medium [2]:** The SME has been operating successfully, has demonstrated market channels and products that deliver technology and/or services to other high technology companies in the defence sector and/or defence.
   - **High [3]:** The SME has well-developed channels and routes to market, with existing products or services that deliver directly with innovation and capability needs in defence.

ANNEXURE C: PROJECT ASSESSMENT

Grant Application:

Reviewer Name: _____

Reviewer's Institution: _____

CRITERION 1 – **IDENTIFIED NEED IN DEFENCE**

Ranking (circle one):	0	1	2	3
Ranking confidence:	0	1	2	3

Comments:

CRITERION 2 - **NOVELTY AND POTENTIAL TO BECOME WORLD LEADING**

Ranking (circle one):	0	1	2	3
Ranking confidence:	0	1	2	3

Comments:

CRITERION 3 – **SCIENTIFIC & TECHNICAL MERITS AND TECHNICAL RISK (PROJECT)**

Ranking (circle one):	0	1	2	3
Ranking confidence:	0	1	2	3

Comments:

CRITERION 4 – **SCIENTIFIC & TECHNICAL MERITS AND TECHNICAL RISK (TEAM)**

Ranking (circle one):	0	1	2	3
Ranking confidence:	0	1	2	3

Comments:

ANNEXURE C: PROJECT ASSESSMENT (continued)

This section to be completed during TRP meeting.

Grant Application:

TRP date: _____

TRP details: _____

CRITERION 5 – **POTENTIAL FOR IMPACT AND IMPLEMENTATION PATHWAY**

Ranking (circle one): 0 1 2 3

Comments:

CRITERION 6 – **CAPACITY AND CAPABILITY FOR SME COMMERCIALISATION**

Ranking (circle one): 0 1 2 3

Comments: