

Physical Sciences Fund -Round Five

Program Guidelines



Opening	12:00 pm AEDT, Tuesday, 5 March 2024
Closing date and time	12:00 pm AEST, Monday, 29 April 2024
Enquiries	If you have any enquiries, please contact us at grants@chiefscientist.nsw.gov.au
Guidelines release date	March 2024
Type of grant opportunity	Open competitive



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Program overview

The Physical Sciences Fund (PSF) is a \$3.5 million competitive technology development and commercialisation program funded by the NSW Government. It is administered by the Office of the NSW Chief Scientist & Engineer (OCSE) within the NSW Department of Enterprise, Investment and Trade (DEIT).

The PSF began in 2019 as an annual \$5 million program funded by the NSW Government. Through the first four rounds, the PSF awarded over \$19 million to 18 companies in areas such as mining, communications, agriculture and farming, AI and robotics, hydrogen, aviation and space.

The NSW Government recognises the importance of realising the potential commercial applications of NSW research. The PSF addresses gaps in the product life cycle between early-stage research and mature investment opportunities, to target market failures preventing NSW businesses from capitalising on innovation. This program delivers grants to drive the commercialisation of highly innovative ideas into new products, processes or services.

Grant funding of between \$200,000 and \$2 million will be provided through the PSF to each successful project.



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Objective

The overall objectives of the Program are to:

- improve commercialisation opportunities for NSW-based startups and businesses
- provide financial support to progress the development of new and innovative devices and systems across the branches of the physical sciences and engineering, including physics, chemistry, astronomy and the earth sciences
- to realise benefits from innovation in NSW.

The intended outcomes of the Program are to:

- help promising startups develop their technologies, to the point they attract future funding and investment
- support the growth of innovative global companies headquartered in NSW
- deliver social, economic and/or environmental benefits in NSW.

The PSF targets companies with innovative devices/ systems within the Technology Readiness Level (TRL) range of 3–7 and aims to help them move along the TRL scale and commercialise their idea.

Technologies such as biotechnology, synthetic biology, cell-based meats and genetic engineering will be supported through the [NSW Biosciences Fund](#) (BioSF – the second round will open in early 2025). Medical devices are funded under the [Medical Devices Fund](#) (MDF – the current round is open and accepting applications until 29 March 2024).

The Program will be administered in accordance with the NSW Grants Administration Guide and the Commonwealth Grants Rules and Guidelines (CGRGs).

Your responsibilities

The Program Guidelines (the Guidelines) contain information about the Program, whether you are eligible to apply, and how you can make an application.

You must read these Guidelines before applying for the grant.

This document sets out:

- the objectives of the program
- assessment criteria and process
- key dates
- grant value
- administering agency
- the final decision maker.

The Guidelines may be updated by the OCSE Grant Delivery Team at any time. If this occurs, the revised Guidelines or any addenda will be published on [NSW Physical Sciences Fund | Chief Scientist](#).

Figure 1 Technology readiness levels

Technology Readiness Levels (TRLs) are used to represent the development of an innovation. TRLs will help to define eligibility and support under the PSF.

It is expected that requests for support will reflect the different industries, levels of complexity or costs across the priority sectors. Indicative grant amounts are provided below.

At the application stage, applicants will provide an estimated TRL (ranging from TRL 3 to TRL 7) for the project at the commencement date and at the completion date.

Technology Readiness Levels								
1	2	3	4	5	6	7	8	9
Basic principles observed	Technology concept formulated	Experimental proof of concept	Technology validation in lab	Technology valid in relevant environment	Demonstration in relevant environment	Demonstration in operational environment	System complete and qualified	Successful mission operations
Not eligible		Eligible					Not eligible	

Further details regarding the TRL scale are available in Appendix A, [Table 3](#).

Grant Value

The NSW Government has announced that the PSF will open rounds in 2024 and 2026 with a minimum of \$3.5 million in available funding for each round. Round 5 of the Program will run from March 2024 to December 2024.

- the minimum grant amount an applicant can apply for is \$200,000 (excluding GST)
- the maximum grant amount an applicant can apply for is \$2,000,000 (excluding GST)
- payments are disbursed in a single tranche by invoicing DEIT, once funding recipients enter into a Deed of Agreement with the NSW Government.

The applicant must repay the grant if the organisation achieves a specified level of economic success from project outcomes (e.g. once the recipient reaches an agreed revenue threshold through the commercialisation of the device or system). As part of the Deed of Agreement discussion, the financial advisor will take you through the Return-On-Investment process, and map out how and when the repayment obligations begin under various scenarios (base-case, optimistic-case, pessimistic-case). These will be revisited as part of your annual reporting requirements. Funding gained from capital fund raising rounds or other grants is not considered as revenue from project outcomes.

Successful applicants will be required to pay back grant funds where the corresponding spending was not in accordance with the Deed of Agreement.

Applications can include co-funding proposals and potential leveraging opportunities. If other in-kind assistance is sought, these should be included in proposals where feasible, and will be considered during the assessment process.



Image credit: Shutterstock

Eligibility criteria

OCSE cannot consider your application if it does not satisfy all the eligibility criteria.

Who is eligible to apply?

To be eligible for the Program applicants must:

- have an Australian Business Number (ABN)
- be registered for the purposes of GST
- be headquartered in NSW
- be one of the following:
 - a company incorporated under the Corporations Act 2001 (Cth) (including a company limited by guarantee)
 - an Aboriginal and/or Torres Strait Islander Corporation registered under the Corporations (Aboriginal and/or Torres Strait Islander) Act 2006 (Cth)
 - an individual or partnership who agrees to form a company under the Corporations Act 2001 (Cth) so that DEIT can enter into a legally binding Deed of Agreement, or
 - a NSW public research organisation or not-for-profit organisation applying through its appropriate technology transfer office or the Chief Executive Officer (or equivalent) of the organisation that will become a separate entity before entering into a legally binding Deed of Agreement with DEIT.
- Applicants must hold the Intellectual Property or the rights to commercialise the device/system/innovation.
- An applicant can only apply for one project per funding round.

Who is not eligible to apply?

You are not eligible to apply for the Program if you are:

- an Australian or NSW Government agency
- a not-for-profit organisation (with no plans to spin out)
- a local government
- a state owned corporation or statutory authority
- an Australian subsidiary or an international company
- a business with revenue (excluding grant funding) of more than \$2.5 million in FY2022/23
- an insolvent business
- an individual, unincorporated association or partnership that will not form a company under the Corporations Act 2001 (Cth).

Joint applications between a business entity and research-based organisations (including universities) are encouraged. However, the business entity must lead the project, be eligible to apply and submit the grant application. The lead applicant (the business) must outline clearly in their application who the project partners are and how each partner will contribute to achieving the objectives of the project proposal. If a joint application is successful, the Deed of Agreement will be between the lead applicant and the NSW Government.

OCSE, at its sole discretion, can take publicly available information about an applicant into account that may cause a business to be ineligible for support, such as any personnel or business activities that could cause reputational damage or other risk to the NSW Government. OCSE may seek clarification from applicants in relation to their application, including seeking further information on the eligibility or assessment criteria.

OCSE reserves the right to assess the applicant's management, Directors, Officers and entities or individuals that exercise control over an applicant, against a fit and proper person's eligibility criterion.

Eligible grant activities

For a grant activity to be eligible it must:

- have a maximum project period of two years (unless there are exceptional circumstances). Projects will require clear and achievable milestones (e.g. moving from TRL 3 to TRL 5) to support appropriate staging and monitoring
- seek to progress an innovation along the commercialisation pathway
- have an existing prototype/proof-of-concept
- be TRL 3-7 on the TRL Scale (Figure 1)
- demonstrate why sufficient funding for the entire project cannot be accessed from alternative sources and that the project would not proceed at the proposed scale in NSW without government support.

For applications in digital technology or defence-related technology, the following eligibility criteria apply:

- only digital technology systems that support a physical science project will be eligible for the PSF
- technologies that have applications in the Defence sector will only be deemed eligible for the PSF if its primary purpose and revenue stream is commercial applications
- the Subcommittee or the Expert Panel reserves the right to determine the eligibility of an application in software or defence-related technology based on the information provided in the application.

Eligible locations

The majority of project activities should be based in NSW. In cases where project partners or project locations are outside NSW, the application should provide details as to why (e.g. providing a specific capability, expertise or technology that is not available in NSW).

Eligible costs

Program funding may only be incurred on agreed Program activities.

To be eligible, costs must be used for:

- prototyping and piloting studies
- manufacturing and/or scaling
- conducting market research, testing and trials
- regulatory approvals and other relevant certifications
- salaries and access to external expertise that is directly related to delivery of the project
- commercialisation strategies and commercial feasibility studies
- project consumables directly related to delivery of project outcomes
- specialist equipment and/or infrastructure necessary to progress the project
- intellectual property protection or advice.

If your application is successful, OCSE may ask you to verify the project cost and request evidence of costs such as supplier contracts, quotes, and invoices.

You must demonstrate value for money by ensuring project costs are reasonable and reflective of market rates. OCSE may use industry cost benchmarks to assess whether costs are reasonable.

OCSE will make the final decision on whether a claimed cost is eligible or reasonable (and only pay the reasonable amount). For more information, refer to [How OCSE monitor your grant section.](#)

Ineligible costs

The grant cannot be used for the following activities:

- the purchase of land or property
- costs incurred in the preparation of a grant application or related documentation
- overseas travel
- the covering of retrospective costs
- wage costs incurred prior to the activity period of the project or outside of approved project activities
- projects requiring ongoing funding from the NSW Government
- projects that are ongoing or constitute the normal course of business
- activities that have commenced or been completed prior to an offer of funding made to successful applicants
- activities that will not be delivered prior to the end of the grant funding period.

Assessment criteria

Applications that have met the eligibility criteria will be assessed against the criteria below. The assessment of applications will be led by the independent Expert Panel, supported by the Subcommittee and the OCSE Grant Delivery Team as Secretariat to the PSF.

To allow us to assess your application against Program objectives, your application must address all the criteria set out below. We will assess your application based on the weighting given to each criterion.

During the assessment process, the OCSE Grant Delivery Team may ask applicants to provide additional information to assist in the assessment process. Advice may be sought from other NSW Government agencies or other sources to assist in the assessment of projects as required. The OCSE Grant Delivery Team may seek to negotiate amendments to the application to maximise the public benefits from the project.



Image credit Hysata, 2021 & 2022 PSF recipient

Stage One assessment criteria: Preliminary Application

To allow us to assess your application against Program objectives, your application must address all of the criteria set out below. We will assess your application based on the weighting given to each criterion.

Criteria	Description	Weighting
Innovation	<p>A highly innovative new product, process or service. Consideration includes evidence of:</p> <ul style="list-style-type: none"> a. uniqueness of technology/science and the need for it b. technical viability of product including technological feasibility, consideration for safety, quality, efficacy and cost-effectiveness, and scalability c. expected progress from the estimated TRL at the project commencement date to the objective TRL at the completion date d. details of intellectual property/licensing, current and expected registration of patents, trademarks etc. 	35%
Commercialisation	<p>Progression of the innovation to deliver future commercial outcomes and revenue generation. Consideration includes evidence of:</p> <ul style="list-style-type: none"> a. a clear path to commercialisation including a detailed business plan b. product market viability including market research, competitor analysis, customer engagement, legal and regulatory challenges, and profitability c. value proposition of the innovation and project including competitive advantages, value creation, market disruption potential, expansion opportunities including export potential and extent to which it addresses the identified problem d. economic, environmental and/or social benefits to NSW. 	35%
Deliverability	<p>Consideration includes evidence of:</p> <ul style="list-style-type: none"> a. a detailed project plan, key tasks and milestones, cost estimates, and feasibility including risk management. Note: Projects will have a maximum project period of two years (unless there are exceptional circumstances). Projects will require clear and achievable milestones (e.g. TRL 3 to TRL 4) to support appropriate staging and monitoring b. operating and financial model to ensure the project can be commercially scaled over time c. the project team's track record, expertise and capacity to successfully deliver the PSF project d. why sufficient funding for the entire project cannot be accessed from alternative sources; why the project would not proceed in its current scale in NSW without government support and how future funding will be accessed e. the applicant's financial viability and sustainability in operation. 	30%

Table 1: PSF Assessment Criteria

Preliminary Applications must include:

- a brief overview of the organisation and project and how it meets the eligibility criteria
- details of the applicant/partners involved (including any existing collaborative partnerships with industry organisations) and the impact/rationale for the grant sought
- project plan showing the key tasks and milestones linked to your funding request
- why sufficient funding for the entire project cannot be accessed from alternative sources
- project/product development stage, the value and type of support requested
- details regarding the technology, details of IP/licensing and benefits to NSW
- description of commercialisation pathway, market analysis and value proposition
- capability the project team to successfully deliver outcomes
- a two-minute video clearly explaining the scientific and technological basis for the device/system (including imagery of the device/system), how it works, the intended outcome/benefit to the community, and how the funding would be used to drive commercialisation.

Details about the assessment process are in [Assessment process](#).

For the Preliminary Application, applicants need to:

- submit the online application form via the SmartyGrants system, ensuring all questions are answered, and requested attachments are uploaded
- clearly identify in their application (including attachments) any information that the applicant requests be treated as confidential
- authorise their application. The application must be authorised by at least one of the core participants (i.e. by the head of the organisation or their authorised delegate). If applying as a consortium, the lead applicant must authorise the application.

An independent probity advisor will be present to provide guidance to OCSE and the Subcommittee and Expert Panel on integrity, fairness and accountability, and ensure transparency of the Program's administration. Further information about probity controls is at [Probity](#).

Applications will only be accepted via the official NSW Government Online Grants Management System, SmartyGrants. Applications will not be accepted via other channels.

Late submissions will not be considered except where OCSE is satisfied that the integrity and competitiveness of the program has not been compromised.



Image credit: LLEAF, 2021 PSF recipient

Stage Two assessment criteria: Full Application

Shortlisted applicants that are invited to submit a Full Application must submit a more detailed application that is assessed by the Expert Panel. The Expert Panel will assess Full Applications on the extent to which proposals address the Assessment Criteria outlined above. Details about the assessment process are in [Assessment process](#).

Applications must outline answers to the questions related to the criteria outlined in [Table 1](#) to enable the application to be assessed (unless indicated not applicable). As this is a competitive grants process, the assessment will be a comparative assessment of the application against all other Full Applications.

Applications must include:

- details of how the proposal would be implemented, the requirements for successful implementation and identified risks and their mitigants and/or controls
- detailed market strategy, competitor analysis, business model and pricing strategy
- details of the market structure (e.g. supply chain logistics, end customers, distribution stream)
- details of whether the applicant has other income streams, future funding of project and capital raising strategies
- details of the project governance structure (e.g. project board, advisory boards, stakeholders, etc.)
- demonstrated capability and capacity to deliver the project; benefits to NSW
- detailed financial submission including submission of audited or certified financial statements, year-to-date management accounts etc. (not applicable to new companies/spinouts)
- for new companies that will be spun out from research organisations, details on spinout process, spinout company information, organisation structure, financial structure, IP/licensing rights etc.

Applications must outline answers to the questions related to these criteria as outlined in [Table 1](#) to enable the application to be assessed (unless indicated not applicable).

For the Full Application, applicants need to:

- submit the online application form through the SmartyGrants system, ensuring all questions are answered and relevant attachments are uploaded
- clearly identify in their application (including attachments) any information that the applicant requests be treated as confidential, and
- authorise their application. The application must be authorised by at least one of the core participants (i.e. by the head of the organisation or their authorised delegate). If applying as a consortium, the lead applicant must authorise the application.

Where an application is not lodged through the SmartyGrants form, OCSE reserves the right to deem the application as non-conforming and can consider it at its absolute discretion.

Late proposals will not be considered except where OCSE is satisfied that the integrity and competitiveness of the program has not been compromised.



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How to apply

Before applying, you must read and understand these Program Guidelines.

These documents may be found at [NSW Physical Sciences Fund | Chief Scientist](#). Any alterations and addenda¹ will be published on [NSW Physical Sciences Fund | Chief Scientist](#).

The Program has a two-stage application process. Applicants will submit Stage One Preliminary application form on the SmartyGrants platform.

If your Stage One Preliminary Application is shortlisted to proceed, you will be invited to apply for Stage Two Full Application.

Further information is provided in [Assessment criteria](#) and [Assessment process](#).

To apply you must:

1. complete the [Stage One Preliminary application form](#)
2. provide all the information requested
3. address all the eligibility criteria
4. address all the relevant assessment criteria listed in [Table 1](#)
5. include all necessary attachments
6. submit your application by the timelines outlined in [Key dates](#).

You are responsible for ensuring your application is complete and accurate. Giving false or misleading information is a serious offence under the *Crimes Act 1900 No 40 (NSW)*. We will investigate any false or misleading information and may exclude your application from further consideration.

Applicants must not lobby the NSW Government on an issue related or seen to be related to the Program that may or may be perceived to give an unfair advantage to the applicant. Applicants are required to comply with all applicable laws including the *NSW Lobbyists Code of Conduct*.

If you find an error in your application after submitting it, you should contact us immediately at grants@chiefscientist.nsw.gov.au. We do not have to accept any additional information, nor requests from you to correct your application after the closing time. You cannot change your application after the closing date and time.

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.

You should keep a copy of your application and any supporting documents. The SmartyGrants system will send you a confirmation that your application has been submitted.

¹ Alterations and addenda include but are not limited to: corrections to currently published documents, changes to closing times for applications, Questions and Answers (Q&A) documents and Frequently Asked Questions (FAQ) documents.

Attachments to the application

Your application must address the assessment criteria set out in [Assessment criteria](#).

You must attach supporting documentation to the application form in line with instructions provided within the online form. For preliminary applications, you should only attach requested documents. We will not consider information in attachments we do not request.

To assess your application, we require you to provide the following documents with your application:

- 2-minute video demonstrating the scientific and technological basis for the device/system, how it works, its intended outcome/benefit, and how the PSF funding will be used to drive commercialisation
- high-resolution images or diagrams of device/system or technology
- evidence of intellectual property/licensing status
- project plan showing the key tasks and milestones linked to your funding request
- financial information requested including statements and financial forecast model.

If you are invited to submit a Stage Two Full Application, we require you to provide the following documents with your application:

- additional questions from the Expert Panel relevant to your preliminary application
- relevant IP documentation
- market research and growth strategy
- competitor analysis and product comparisons
- audited or Certified Financial Statements (preferred) for the last financial year
- management accounts for the last financial year, and Year to Date for the current financial year
- copy of the last capital raising presentation (if applicable)
- management and project team resumes
- project budget
- project plan
- business plan or other documentation that demonstrates your operating and financial model to ensure your project can be commercially scaled over time
- complete organisation structure
- risk management plans for both project and business
- documents that demonstrate your track record in delivering similar projects successfully, such as letters of support.

Joint (consortia) applications

Joint applications between a business entity and research-based organisation (including universities) are encouraged. However, the business entity must lead the project and submit the grant application. The lead applicant (the business) must outline clearly in their application who the project partners are and how each partner will contribute to achieving the objectives of the project proposal. If a joint application is successful, the Deed of Agreement will be between the lead applicant and the NSW Government.

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

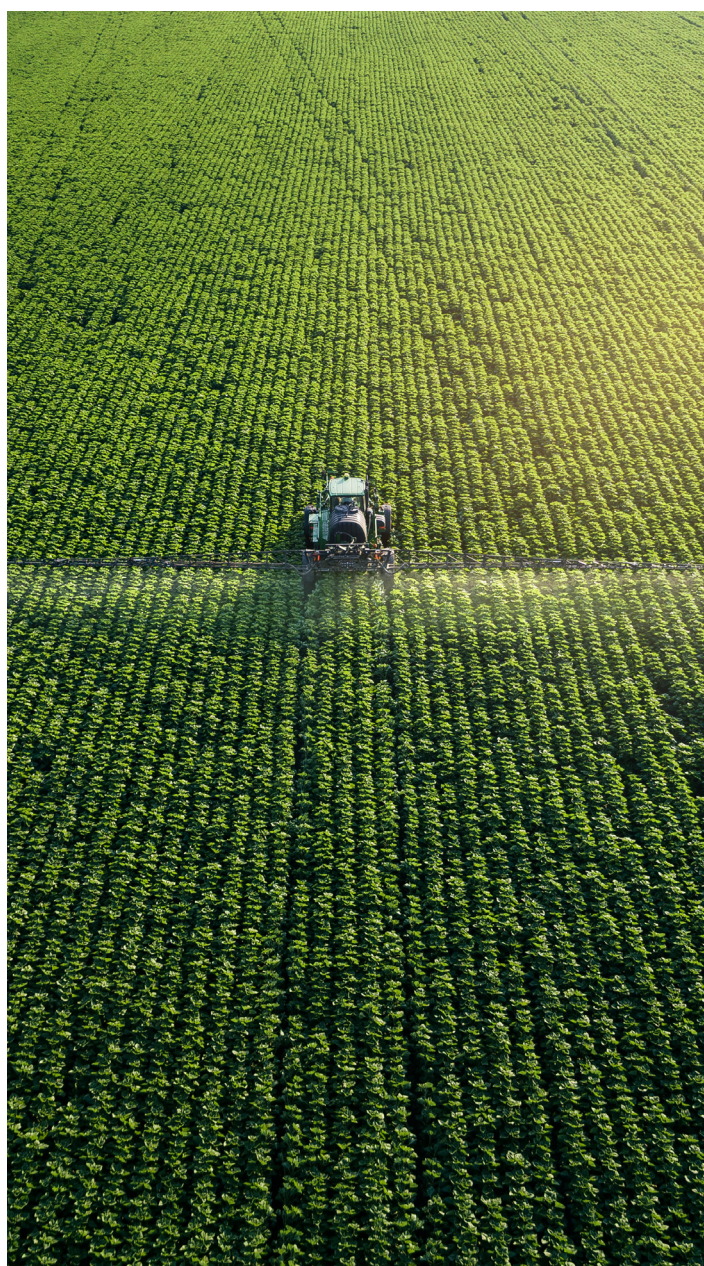


Image credit: Shutterstock

Key dates

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

Activity	Timeframe
Stage One: Preliminary Applications open	12:00 pm AEDT 5 March 2024
Stage One: Preliminary Applications close	12:00 pm AEST 29 April 2024
Stage Two: Full Applications open	12:00 pm AEST 9 September 2024
Stage Two: Full Applications close	12:00 pm AEST 1 October 2024
Notification of Stage Two outcomes	November 2024
Announcement	December 2024

Table 2: Expected timeline of the program

Queries during the application

If you have any questions during the application period, please contact the OCSE Grant Delivery Team at grants@chiefscientist.nsw.gov.au

This OCSE mailbox is monitored during business hours to ensure any application enquiries are resolved. The OCSE Grant Delivery Team will aim to respond to all enquiries within 3 business days.

OCSE, in response to any question raised by a potential applicant that is deemed to be public, may upload information onto the frequently asked questions (FAQ) page which can be found on the [NSW Physical Sciences Fund | Chief Scientist](#)

The OCSE Grant Delivery Team will not publicise details of the applicant organisation that has asked the question.



Image credit: Shutterstock

Assessment process

The assessment of applications will be led by the OCSE Grant Delivery Team. Your application will be considered based on a two-stage process. Where the OCSE Grant Delivery Team considers an application unsuitable or unsatisfactory against any criteria, we may exclude that application from further evaluation. Only eligible applications will move to the next stage. We consider eligible applications through an open competitive grant process.

An independent probity advisor will be present to provide guidance to OCSE and the Subcommittee and Expert Panel on integrity, fairness and accountability, and ensure transparency of the Program's administration. Further information about probity controls is at [Probity](#).

During the assessment process, the OCSE Grant Delivery Team may ask applicants to provide additional information to assist in the assessment process. Advice may be sought from other NSW Government agencies or other sources to assist in the assessment of projects as required. The OCSE Grant Delivery Team may seek to negotiate amendments to the application to maximise the public benefits from the project.

Assessment of applications

Stage 1: Preliminary applications

Once the Preliminary Application stage has closed, the OCSE Grant Delivery Team will review Preliminary Applications for eligibility and provide a report to an independent Subcommittee on the eligible and ineligible applications. The Subcommittee will undertake an initial assessment of eligible applications against the assessment criteria.

Each application will be scored out of 100, with the following weightage provided to the three assessment criteria:

- Innovation (out of 35)
- Commercialisation (out of 35)
- Deliverability (out of 30)

When making its shortlist of Preliminary Applications for the Expert Panel, the Subcommittee may take the following into consideration:

- a competitive assessment of applications based on the extent to which each application meets the Assessment Criteria in [Table 1](#)

- the requested amount against the scope of the project i.e. whether the applicant has requested appropriate funding based on project activities
- whether applicants have sufficient or additional resources or avenues available to raise additional capital other than the PSF funding that could assist with the success of their project.

The Subcommittee will shortlist the highest ranked applications to be reviewed by the Expert Panel. Following assessment of the shortlisted Preliminary Applications, the Expert Panel will determine which applicants will progress to the next stage, where the individual or organisation is invited to Stage 2: Full Applications.

Stage 2: Full Applications

Shortlisted applicants that are invited to submit a Full Application must submit a more detailed application. The Expert Panel will assess Full Applications on the extent to which proposals address the Assessment Criteria outlined above and conduct a comparative assessment of the applications against others.

The Expert Panel will also interview the applicants, to discuss their PSF project, and ask questions regarding their submission.

Following assessment of Full Applications and completion of interviews, the Expert Panel will undertake a final discussion about the applications and recommend the funding recipients for the round.

When making their recommendations, the Expert Panel may take the following into consideration:

- the total funding available
- a competitive assessment of applications based on the extent to which each application meets the Assessment Criteria
- the requested amount against the scope of the project i.e. does the applicant need more or less than the requested funding, or whether applicants have sufficient or additional resources or avenues available to raise additional capital other than the PSF funding that could assist with the successful commercialisation of their project
- potential social, economic and/or environmental benefits to NSW.

Financial Assessment

As part of Stage Two Full Application, you are required to submit detailed financial reports and other relevant documentation. This financial information will be reviewed by an independent financial advisor, who will provide advice to the Expert Panel.

The independent financial advisor will undertake financial assessments of applications and report to the Expert Panel on organisational and/or project-specific risks.

Once successful applicants have been determined, the independent financial advisor will undertake a return-on-investment assessment with each funding recipient as part of contract negotiations. The independent financial advisor will be engaged to conduct annual financial audits and risk assessments during the term of the Deed of Agreement, as per the reporting requirements for successful funding recipients detailed in the Deed of Agreement.

Who will assess applications?

The Subcommittee will:

- be chaired by an independent person with experience in research commercialisation and expertise in the Physical Sciences sector and grant programs
- comprise members with research, industry, entrepreneurial and venture capital expertise relevant to delivering the PSF program purpose
- identify any conflicts of interest in relation to eligible Preliminary Applications and each member will sign a confidentiality agreement.

The Expert Panel will:

- be chaired by an independent person with experience in research commercialisation and expertise in the Physical Sciences sector and grant programs
- comprise members with research, industry, entrepreneurial and venture capital expertise relevant to delivering the PSF program purpose
- identify any conflicts of interest in relation to eligible applications and each member will sign a confidentiality agreement
- draw on advice or expertise as required. Expertise could include individuals with significant subject-matter expertise specific to the nature of shortlisted projects, but who are not conflicted. These experts will provide advice only and will not participate in the assessment of applications.

Who will approve the grant?

The Expert Panel will provide its recommendations to the DEIT Secretary. The DEIT Secretary makes final decisions on whether to fund projects.

Notification of application outcomes

OCSE will advise the outcome of your application in writing.

Unsuccessful applicants will be notified via email and will be offered a feedback information session.



Image credit: Hullbot, 2021 PSF recipient

Successful applicants

Notification

Successful applicants will be notified via email within 30 business days of the final determination. If you are successful, OCSE will advise you of any specific conditions attached to the grant. This could include a request to keep the grant confidential for a specified period due to an announcement being made by the NSW Government in relation to this Program and your award.

The NSW Government will publicly announce funding for individual applications and provide information on the [NSW Government Grants and Funding Finder](#). It may also use information provided to create case studies.

Grant agreement

Successful applicants who accept the offer of a grant will be required to enter into a formal Deed of Agreement with the NSW Government relating to the grant. The Deed of Agreement will specify obligations that relate primarily to the recipient's accountability for the grant, including using the grant for activities occurring in NSW, the return of unspent grant funds and reporting on the use of the grant for the duration of the term. The NSW Government makes no binding funding or support commitment to an applicant until both parties sign the Deed of Agreement, including the lead applicant identified in the proposal.

While successful applicants are required to be compliant with all relevant laws and regulations, they will be specifically requested to comply with the *Work Health and Safety Act 2011 (NSW)*.

How OCSE pay the grant

The grant will be payable upon the execution of the Deed of Agreement. Invoices for grant payments will be submitted and paid in a single tranche, or as dictated by the Deed of Agreement.

Successful applicants will be required to provide financial information to an external financial advisor who will undertake annual financial monitoring of the organisation. This will monitor how the grant is expended against agreed milestones, identify any financial risks to the project or organisation and determine if the applicant is required to begin repayment to DEIT upon the specified level of economic success.

Payments will be GST inclusive. Applicants must be registered under the GST Law at the time of making any supply under this Deed on which GST is imposed. Grants are assessable income for taxation purposes, unless exempted by a taxation law. OCSE recommends you seek independent professional advice on your taxation obligations. OCSE does not provide advice on your particular taxation circumstances.

Keeping us informed

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

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

You must also inform OCSE 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.

Requests for variations or changes to the project may be considered with regard to probity principles being upheld.

Unspent funds

You must obtain DEIT's prior written consent before any expenditure of the PSF funding other than expenditure which has previously been approved by DEIT in the Deed of Agreement. Any funds spent in breach of the Deed of Agreement, or any unspent fund remaining upon the completion of the PSF project must be returned to DEIT.

How OCSE monitor your grant

Reporting of successful projects will be outlined in the Deed of Agreement and will involve annual reporting, dependent on the size of the grant and the nature of the proposed activity. Templates will be provided for these reports and will require information such as:

- progress against agreed project milestones and outcomes
- project costs
- contributions of participants directly related to the grant
- performance measures, including, but not limited to:
 - income from sales, other grants or capital raises
 - number of jobs established or supported by the grant
 - research, industry or government engagement
 - IP and regulatory progress.

Activity Progress Reporting

During the term of the Deed of Agreement, successful applicants must provide a written Activity Progress Report to document progress on the Project to date and is to include:

- financial reporting as set out in the Deed of Agreement
- audited accounts for the preceding financial year reporting period
- progress and expenditure against the project plan
- current and prospective partners for collaborations/engagement
- any difficulties impacting the project, or which are anticipated to impact the project
- an updated Project Budget for the following 12 months
- a definitive statement as to whether:
 - the financial information for the project represents the financial transactions fairly and is based on proper accounts and records
 - if the Grant was expended in accordance with the Deed of Agreement, and
 - the amount of interest earned on the investment of the Grant.

Activity Final Reporting

The Final Report is to document completion of the Project and is to include:

- all activities undertaken during the reporting period
- evaluation of the project and how successful the project was in achieving the objectives
- the status of results achieved to date from the project
- the results of research and collaborations with other organisations
- details about any unspent funds which, unless authorisation has been sought, must be returned to DEIT
- any other information deemed to be relevant to the project that will assist the promotion of the PSF, and
- a complete financial acquittal of how the funds were spent during the grant period and include a definitive statement as to whether:
 - the financial information for the project represents the financial transactions fairly and is based on proper accounts and records, and
 - if the grant was expended in accordance with the Deed of Agreement.
- During the term of the project, DEIT, the successful applicant and financial advisor will meet to conduct an annual performance review and discuss the annual activity progress report.
- DEIT reserves the right to undertake an audit of PSF funding and support within seven years from the date of the Deed of Agreement. Tracking and reporting will be a requirement of the Deed of Agreement, which will include regular performance reporting.

Evaluation

DEIT will evaluate the PSF to measure the extent to which the Program's objectives have been achieved and may use information from applications and reports for this purpose. DEIT may also interview applicants or related consortia and ask for more information to understand how the Program has impacted projects and to evaluate how effective the program was in achieving its outcomes. This could include information about revenues, costs, employment and other matters. DEIT may contact applicants up to three years after receipt of final grant payments associated with the Program for more information to assist with this evaluation.

Successful applicants will be required to participate in program evaluation after the project has commenced.

In accordance with the Deed of Agreement, the successful applicant will be required to provide evidence of how projects have resulted in measurable benefits consistent with the Program's objectives and outcomes, particularly on research and development outcomes.

Acknowledgement

All recipients of NSW Government funding should acknowledge this financial support in accordance with the Funding Acknowledgement Guidelines for Recipients of NSW Government Rebates available at nsw.gov.au/branding/sponsorship-and-funding-acknowledgment-guidelines.

You must seek our written consent prior to any significant public announcement, marketing, press announcements or official launch in relation to the Program.

The NSW Government logo should be used on all materials related to grants provided to the grant activity. Whenever the logo is used, the material must also acknowledge the NSW Government.



Image credit: Shutterstock

Enquiries

Any enquiry you have about the assessment process or the outcome of your application for this Program should be sent to grants@chiefscientist.nsw.gov.au or by calling 02 9228 5765.

Complaints will, in the first instance, be reviewed by the OCSE Grant Delivery Team. If we cannot resolve the complaint within 30 business days of receipt, we will provide details of a nominated complaints and review officer from the Complaints Team who will advise the next steps.

If you do not agree with the way the OCSE Grant Delivery Team has handled your enquiry or complaint, you may wish to contact the NSW Ombudsman. The NSW Ombudsman will not consider a complaint unless the matter has been first raised directly with the OCSE Grant Delivery Team.

NSW Ombudsman
Level 24
580 George Street
Sydney NSW 2000

The applicant must lodge a complaint with the OCSE Grant Delivery Team in writing and submit it to grants@chiefscientist.nsw.gov.au.

Probity

The OCSE Grant Delivery Team will make sure that the grant opportunity process is fair, according to the published guidelines and incorporate appropriate safeguards against fraud, unlawful activities and other inappropriate conduct.

An independent probity advisor will be engaged as part of this Program to provide guidance to the OCSE Grant Delivery Team on any issues concerning integrity, fairness and accountability that may arise throughout the application, assessment, and decision-making process. The probity advisor will observe the conduct of meetings and the assessment process to which funding recommendations are made. The probity advisor will review meeting Minutes and final funding recommendations and is required to endorse or oppose actions and/or recommendations arising from Meetings. At the conclusion of the assessment process, the probity advisor will provide a report to the OCSE Grant Delivery Team about its observations of the process. This will ensure decisions are made with integrity, fairness, and accountability, while delivering value for money for NSW.

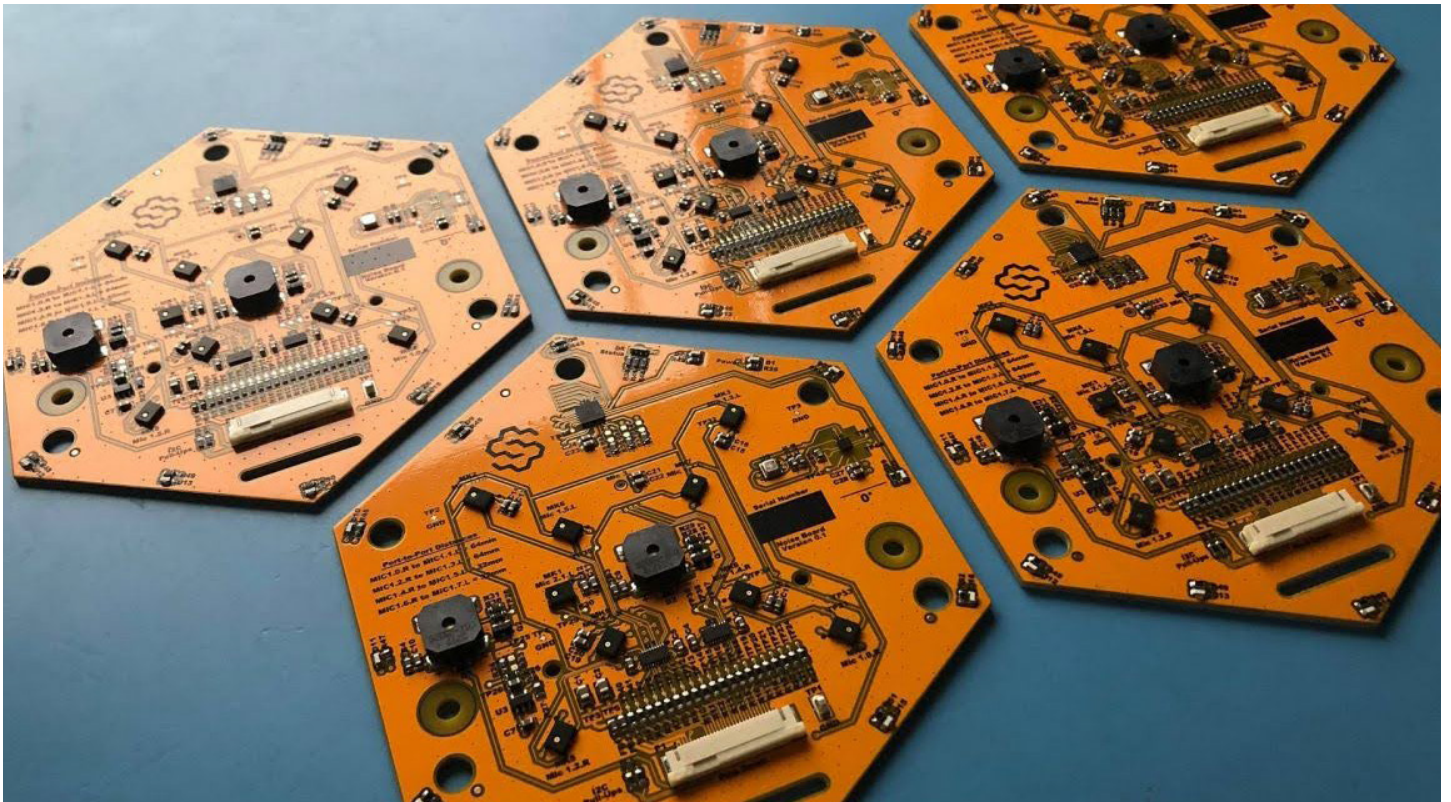


Image credit: SiteHive, 2022 PSF recipient

Privacy

We treat your personal information according to the DEIT Privacy Management Plan available at www.nsw.gov.au/departments-and-agencies/enterprise-investment-trade/policies-plans-and-procedures-of-enterprise-investment-and-trade/privacy/privacy-management-plan and the *Privacy and Personal Information Protection Act 1998 (NSW)*. This includes letting you know:

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

Your personal information can only be disclosed to someone for the primary purpose for which it was collected unless an exemption applies.

OCSE may also use or disclose information about applicants and recipients under the Program for reporting purposes.

We may share the information you give us with other NSW Government entities for purposes including government administration, research or service delivery, according to Australian and NSW laws.

As part of your application, you declare your ability to comply with the Privacy and Personal Information Protection Act 1998 (NSW) and impose the same privacy obligations on officers, employees, agents and subcontractors that you engage to assist with the activity, in respect of personal information you collect, use, store, or disclose in connection with the activity. Accordingly, you must not do anything that would breach your obligations under the Act.

Confidential information

Other than information available in the public domain, you agree not to disclose to any person, other than us, any confidential information relating to the grant application and/or agreement, without our prior written approval. The obligation will not be breached where you are required by law, Parliament or a stock exchange to disclose the relevant information or where the relevant information is publicly available (other than through breach of a confidentiality or non-disclosure obligation).

We may at any time, require you to arrange for you, your employees, agents or subcontractors to give a written undertaking relating to non-disclosure of our confidential information in a form we consider acceptable.

We will keep any information in connection with the funding agreement confidential to the extent that it meets all the three conditions below:

- you clearly identify the information as confidential and explain why we should treat it as confidential
- the information is commercially sensitive
- revealing the information would cause unreasonable harm to you or someone else.

We will not be in breach of any confidentiality agreement if the information is disclosed to:

- the Assessment Panel and other NSW Government employees and contractors to help us manage the program effectively
- employees and contractors of OCSE so we can research, assess, monitor and analyse our programs and activities
- employees and contractors of other NSW Government departments or agencies for any purposes, including government administration, research or service delivery
- other Commonwealth, State, Territory or local government agencies in program reports and consultations
- the Auditor-General, Ombudsman or Privacy Commissioner
- the responsible Minister or Secretary
- a House or a Committee of the NSW Parliament.

The funding agreement may also include any specific requirements about special categories of information collected, created or held under the funding agreement.

Government Information (Public Access) Act 2009 (GIPA Act)

The GIPA Act provides for the proactive release of government information by agencies and gives members of the public an enforceable right to access government information held by an agency (which includes Ministerial offices). Access to government information is only to be restricted if there is an overriding public interest against disclosure.

The NSW Legislative Council has the power to order the production of State papers by the Executive Government. Standing Order 52 provides that the House may order documents to be tabled by the Government in the House. The Cabinet Office coordinates the preparation of the papers – that is, the return to order. The return to order may contain privileged and public documents. Privileged documents are available only to members of the Legislative Council.

Note that documents submitted as part of a grant application may be subject to an application under the GIPA Act or an order for papers under Standing Order 52.



Image credit: The Yield Technology Solutions, 2022 PSF recipient

Appendix A

TRL	TRL definition	TRL description/evidence of achievement
1	Basic Research. Initial scientific research begins.	Basic principles are observed. Focus is on fundamental understanding of a material or process.
2	Applied Research. Initial practical applications are identified. Potential of material or process to satisfy a technology need is confirmed.	Once basic principles are observed, practical applications can be identified. Applications are speculative, and there may be no proof or detailed analysis to support the assumptions. Examples are still limited to analytic studies. Supporting information includes publications or other references that outline the application being considered and that provide analysis to support the concept.
3	Critical Function, i.e. Proof of Concept Established. Applied research continues and early-stage development begins. Includes studies and initial laboratory measurements to validate analytical predictions of separate elements of the technology.	Analytical studies and laboratory-scale studies are designed to physically validate the predictions of separate elements of the technology. At TRL 3 experimental work is intended to verify that the concept works as expected. Components of the technology are validated, but there is no strong attempt to integrate the components into a complete system. Modelling and simulation may be used to complement physical experiments. Examples include research on materials, components or processes that are not yet integrated.
4	Laboratory Testing/Validation of Alpha Prototype Component/Process. Design, development and lab testing of technological components are performed. Results provide evidence that applicable component/process performance targets may be attainable based on projected or modelled systems.	The basic technological components are integrated to establish that the pieces will work together. This is relatively ‘low fidelity’ compared with the eventual system. Supporting information includes the results of the integrated experiments and estimates of how the experimental components and experimental test results differ from the expected system performance goals. TRL 4-6 represent the bridge from scientific research to engineering, from development to demonstration. TRL 4 is the first step in determining whether the individual components will work together as a system. The goal of TRL 4 should be the narrowing of possible options in the complete system.
5	Testing of Integrated/Semi-Integrated System. Component and/or process validation in relevant environment (Beta prototype component level).	The basic technological components are integrated so that the system configuration is similar to (matches) the final application in almost all respects. Supporting information includes results from the laboratory scale testing, analysis of the differences between the laboratory and eventual operating system/environment, and analysis of what the experimental results mean for the eventual operating system/environment. The major difference between TRL 4 and 5 is the increase in the fidelity of the system and environment to the actual application. The system tested is almost prototypical. Scientific risk should be retired at the end of TRL 5. Results presented should be statistically relevant.

6	Prototype System Verified. System/process prototype demonstration in an operational environment (Beta prototype system level).	Engineering-scale models or prototypes are tested in a relevant environment. This represents a major step up in a technology's demonstrated readiness. The major difference between TRL 5 and 6 is the step up from laboratory scale to engineering scale and the determination of scaling factors that will enable design of the final system. The operating environment for the testing should closely represent the actual operating environment. Refinement of the cost model is expected at this stage based on new learning from the pilot line. The goal while in TRL 6 is to reduce engineering risk. Results presented should be statistically relevant.
7	Integrated Pilot System Demonstrated. System/process prototype demonstration in an operational environment (integrated pilot system level).	This represents a major step up from TRL 6, requiring demonstration of an actual system prototype in a relevant environment. Final design is virtually complete. The goal of this stage is to retire engineering and manufacturing risk. To credibly achieve this goal and exit TRL 7, scale is required as many significant engineering and manufacturing issues can surface during the transition between TRL 6 and 7.
8	System Incorporated in Commercial Design. Actual system/process completed and qualified through test and demonstration (pre-commercial demonstration).	The technology has been proven to work in its final form and under expected conditions. In almost all cases, this TRL represents the end of true system development. Examples include full scale volume manufacturing of commercial end product.
9	System Proven and Ready for Full Commercial Deployment.	The actual system is proven through successful operations in operating environment, and ready for full commercial deployment. The technology is in its final form.

Table 3: Technology Readiness Level (TRL) Scale

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The Guidelines are subject to change at any time at the sole discretion of DEIT.

More information

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