



# Go2Gov

Connecting startups to Government

Program Guidelines  
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Government  
of South Australia

## 1. Program Context

The Government of South Australia recognises that a key element in taking an innovative product or service and turning it into a successful and sustainable business, is having its first customer.

The first customer can provide an opportunity and environment to test a new idea, develop a proof of concept or enable a real-life trial. Having the government as a customer, particularly the first customer, will support businesses to grow and become more competitive in both local and global markets.

Funding of \$2 million (over 2020-21 and 2021-22) is available under this Program through the Economic and Business Growth Fund to assist government departments/agencies (departments/agencies) to fund the trialling or piloting of startup/early-stage business solutions that addresses a challenge/problem identified by the relevant department/agency.

Any direct engagement of a startup/early-stage business by the department/agency under this Program to deliver the innovative product or service will not be required to go through the competitive procurement process for a period of up to three years.

Direct engagements post the completion of a successful trial/pilot must be undertaken and funded from the relevant government department/agency's existing budget.

These Guidelines outline the process, criteria and the required information for eligible startups/early-stage businesses to participate in the Program.

The Program is managed by the Department of Treasury and Finance and the Office of the South Australian Chief Entrepreneur (Department for Innovation and Skills). A Program Manager has been appointed to lead the Program.

## 2. Objectives and Outcomes

### 2.1 Objectives

The following objectives will guide the government's process for considering proposals under the Program:

- support startups and early-stage businesses that have the capacity to scale into local and global markets and who have developed, or are capable of developing solutions not currently available in the market

- use the government's unique position as a customer, to provide opportunity to test ideas, develop proofs of concept and enable real-life trials that may otherwise be inaccessible to startups and early-stage businesses
- promote economic growth through successful development of businesses and implementation of innovative solutions through this program
- drive innovation by encouraging the development of new capabilities to modernise and transform public policy and service delivery
- ensure that Intellectual Property developed by participating startups and early-stage businesses is respected and contractually protected.

## 2.2 Outcomes

The success of the Program's objectives will be measured by the following outcomes:

- successful implementation of innovative solutions, resulting in improved government service delivery
- increased number of startups and early-stage businesses in South Australia with government as a customer.

## 3. Eligibility & Merit Criteria

### 3.1 Eligible Government Agencies and Departments

This Program is open to all South Australian Government departments and South Australian Government agencies.

From time to time, opportunities may arise to set public sector challenges in partnership with Commonwealth and Local Government agencies – with a view to increasing the potential funding and impacts of the Program. In these circumstances, some modifications to program and eligibility criteria may be required. If this is the case, these will be communicated to departments/agencies and published as part of Call for Proposals.

### 3.2 Eligible Startups and Early-Stage Businesses

To be eligible, the startup/early-stage business must:

- have an Australian Business Number (ABN) and be one of the following entities:
  - (a) A company incorporated in Australia and headquartered in South Australia
  - (b) An incorporated trustee on behalf of a trust
  - (c) An individual or partnership, providing there is an agreement to form a company incorporated in Australia (and headquartered in South Australia) (i.e. contractual arrangements must be entered into by a legal entity as per sub-clause (a) or (b) above); and

- have revenue (including revenue of any related bodies corporate) less than \$10 million for the previous financial year; and,
- be less than 7 years old.

### 3.3 Eligible proposals

Eligible proposals include proposals that:

- have developed (or the potential to develop through access to department/agency trials or pilot projects) a novel product, process or service solution (that is clearly differentiated to what is already available in the market)
- have the potential to scale rapidly and target potential markets beyond South Australia;
- have access to (or the ability to access) any infrastructure, capital equipment, technology or Intellectual Property to deliver the product or solution to the relevant department/agency
- demonstrate the capacity to create jobs in South Australia, preferably in new and emerging technology areas.

### 3.4 Merit Criteria

The proposal will be evaluated against the following merit criteria:

- the market need for the proposed product or service, including within government
- the feasibility/likelihood of the innovative product or service being commercially and technically viable
- the uniqueness of the proposed product or service relative to what is already in the market
- the capability, expertise, skills, and ambition of the team
- ability to match the innovative product or services to an identified department/agency problem/challenge and its likelihood to improve service delivery outcomes
- the anticipated cost of conducting a proof of concept or other form of trial in a department/agency
- the intended commercialisation plan that includes the future commercial potential of the solution in local and/or global markets that outlines:
  - (a) a clear set of objectives
  - (b) a clearly defined path to market
  - (c) the size of the target market and defined customer type
  - (d) the intellectual property strategy
  - (e) the manufacturing strategy (where applicable)
  - (f) the financial plan

- (g) the capacity and capability or ability to access capability to deliver on the commercialisation plan
- (h) intended impact of the project/proof of concept/trial for the company's growth and the department/agency (deliverables to the department/agency).

## 4 Process

### 4.1 STEP 1: Identifying Public Sector Challenges

The Program Manager will notify departments and agencies when the next round of the Program will be opening along with any associated requirements, key dates and milestones for public sector challenges.

Interested departments/agencies should identify their proposed public sector problem/challenge that would benefit from an innovative, technology-enabled solution to address public sector needs.

Departments/agencies are invited to email the Program Manager within the Department for Innovation and Skills to discuss and refine their proposed challenge.

Departments/agencies may be required to provide further information and participate in discussions and workshops with the Department for Innovation and Skills to refine their proposed public sector challenge ('problem statement') so that it attracts high-calibre startups and early-stage businesses.

Challenges will be reviewed by the Program Committee, comprising the Program Manager, representatives from the Departments of Innovation and Skills and Treasury and Finance, and an independent external expert (where required). The Committee will select the challenges that will be released as Calls for Proposals for each round of the Program and inform departments/agencies of the outcomes.

Departments/agencies that have their public sector challenge selected must commit to:

- assigning a dedicated 'Challenge Owner' for up to six months to participate in activities relating to challenges, including:
  - acting as the key agency/department contact for nominated challenges
  - supporting startups/early-stage businesses to respond to Calls for Proposals by hosting a limited number of information sessions and responding to requests for additional information or clarification relating to a challenge
  - supporting the Program Committee to review proposals and make recommendations to the Evaluation Committee
  - supporting agency activities and workshops to determine the feasibility and viability of proposed solutions as required by the Evaluation Committee

- assigning a resource to manage the contractual obligations as set out in the Innovation Development Agreement between the department/agency and startup/early-stage business. The resource may be required for a period up to or exceeding 12 months.

#### **4.2 STEP 2: Submission of Innovative Proposals**

##### Call for Proposals to Address Challenges

The Program will be run in rounds through Calls for Proposals. A minimum of two rounds of Calls for Proposals is proposed to be undertaken each financial year, subject to the amount of funding available under the Program.

For each round of Call for Proposals, multiple public sector challenges will be identified. To participate in this Program, an eligible business may:

- submit a proposal in response to a published Call for Proposals to address an identified public sector challenge under this Program; or
- submit a proposal at any time for an innovative solution that is 'unmatched' to a published Call for Proposal but that meets the eligibility criteria set out in section

Startups/early-stage businesses must lodge their proposals online. Proposals must:

- demonstrate eligibility against the requirements set out in sections 3.2 and 3.3
- demonstrate how it addresses the merit criteria set out in section 3.4
- specify the request of government (e.g. funding for pilot, proof of concept etc).

Only proposals lodged online at [www.fixe.org.au](http://www.fixe.org.au) will be considered. Startups/early-stage businesses may be required to provide further information for the purpose of ensuring that enough information has been provided to assess the proposal.

A startup/early-stage business may also seek a pre-lodgement meeting with the Program Manager (or relevant representative from the Department for Innovation and Skills) or the relevant department/agency Challenge Owner to better understand their context and needs prior to committing resources to developing a formal proposal. Prior to this, the startup/earlystage business should provide a summary of their request, proposal and rationale to the Program Manager who will then arrange the meetings.

#### **4.3 STEP 3: Assessment**

The proposals received in Step 2 will be reviewed and submitted to the Program Committee and respective Challenge Owner for assessment and recommendation to the Evaluation Committee comprising the:

- Chief Executive, Department of the Premier and Cabinet
- Chief Executive, Department of Treasury and Finance
- Chief Entrepreneur.

The Program Manager will provide operational/administrative support to assist the Evaluation Committee in its decision-making.

Recommendations made to the Evaluation Committee may include a proposal to provide initial funding to enable a 'co-design and initial feasibility' process where the participating department/agency, supported by the Program Manager, will collaborate with the recommended startup(s)/early-stage business(s) to determine the feasibility and further define the scope of the project.

The Evaluation Committee will seek to ensure that the assessment process takes no more than twenty-one days from when the Program Committee has determined that enough information has been provided by the startup/early-stage business.

The Evaluation Committee may recommend that more than one proposal be considered by the department/agency for progressing to the 'co-design and initial feasibility' stage.

All startups/early-stage businesses will be advised in writing of the outcomes from the Evaluation Panel.

#### **4.4 STEP 4: Co-design and Feasibility**

The Program Manager will work with the department/agency and the relevant startup(s)/earlystage business(s) over a four to six-week period to determine in greater detail whether their proposal is suitable for addressing the relevant public sector challenge and the suitable amount of funding required (if any) to do so. This may require access to agency data and stakeholders and will likely include externally facilitated discussions and workshops.

An initial amount of funding (\$5,000) may be provided to the startup/early-stage business to assist in developing and determining the feasibility of their proposed solution.

Upon determining the feasibility of a proposal, the department/agency will assess the anticipated cost and scope of the initial engagement (e.g. pilot, proof of concept etc) and any funding options if it determines that they will proceed with contract negotiations to establish an Innovation Development Agreement with a startup/early-stage business. This information will be supplied to the Evaluation Committee for funding consideration.

If the Evaluation Committee approves further consideration of a proposal, it will advise the relevant department/agency and provide them with a decision on the capped amount of funding available (if any).

If a decision is made not to pursue a proposal, the startup/early-stage business will be advised in writing.

#### **4.5 STEP 5: Contract Negotiations**

The department/agency and the startup/early-stage business will enter into negotiations to establish an Innovation Development Agreement that outlines:

- the obligations of each of the parties
- provision of staged funding at key milestones (if any)
- milestones and deliverables (which could cover delivery of proof of concept, feasibility study, minimum viable product and trial)
- reporting obligations.

The Innovation Development Agreement template will be available from: [www.fixe.org.au](http://www.fixe.org.au)

Where a department/agency enters into an Innovation Development Agreement, they should take appropriate steps to ensure that the government's obligations and requirements are met.

If, at the conclusion of the Innovation Development Agreement, a department/agency decides to enter into a further agreement for the provision of goods and services, the startup/earlystage business will not be required to go through a competitive procurement process.

Direct engagements for goods and services will be funded from the relevant government department/agency's existing budget. Any direct engagement must not exceed a total contract period of three-years. At the end of the contract the department/agency must conduct a competitive market process if the goods or services are still required.

### **5. Probity**

Probity principles and protocols may be established when dealing with potential startups/early-stage businesses participating in this program to ensure:

- that decisions are made through the approved frameworks and are capable of withstanding objective and independent scrutiny
- that decisions deliver the best outcomes for the government



- that public service integrity is maintained
- commercially sensitive and confidential information is protected
- that any perceived conflict of interest, bias and/or misconduct is eliminated.

A startup/early-stage businesses must not offer any incentive to, or otherwise attempt to, influence any person who is either directly or indirectly involved in an assessment or negotiation process. If the government determines that a startup/early-stage business has violated this condition, the government may, in its sole and absolute discretion, disqualify the relevant startup's/early-stage businesses' submission from further consideration.

## 6. General Terms and Conditions

Government may take into account any other factors or considerations that it considers relevant to the assessment of a proposal, including any that may arise as a consequence of the nature and content of the proposal, of applicable government policy or strategy and of pertaining economic, social, legal or other events or government affairs.

### 6.1 No Legal Relationship

By submitting a proposal, the startup/early-stage business acknowledges:

- no contract exists or will be implied between the Government and the startup/earlystage business unless and until suitable documentation is executed with the Government; and
- the Government has no contractual or other legal obligation to the startup/early-stage business with respect to the consideration, the evaluation, the acceptance or the rejection of any submission or the failure to consider, evaluate or accept any submission.

### 6.2 Freedom of Information

The Freedom of Information Act 1991 (FOI Act) applies to the information provided by a startup/early-stage business in its submission. Startups/early-stage businesses should note that the FOI Act allows members of the public rights of access to government documents and any government participants.

Any information that is commercially sensitive or confidential must be marked "commercial and confidential". This special notation must not be used unless the information is genuinely confidential. Startups/early-stage businesses should be aware that a claim of commercial sensitivity or confidentiality does not of itself exempt information from disclosure under the FOI Act.

### **6.3 Change in Circumstance**

Startups/early-stage businesses must inform the Government promptly in writing of any material change to any of the information contained in their submission, and of any material change in circumstance that may affect the truth, completeness or accuracy of any information provided in, or in connection with, the submission.

### **6.4 Costs**

All risk and costs of preparing, lodging, developing and negotiating a proposal are to be borne by the startup/early-stage business. No startup/early-stage business will have any recourse against the Government in relation to its decision to not proceed with a proposal under these Guidelines.

### **6.5 Reliance on Information**

By lodging a submission, the startup/early-stage business warrants and represents to the Government that the information contained in its proposal is true, accurate and complete as at the date on which it is lodged, and may be relied upon by the Government in its assessment.

### **6.6 Conflict of Interest**

The startup/early-stage business shall:

- declare any actual or potential conflict of interest of any startup/early-stage business
- comply with all laws in force in South Australia, including the Australian Competition and Consumer Act 2010
- not make any news releases or responses to media enquiries and questions pertaining to this process without the Government's written approval.

### **6.7 Other Rights**

The Government reserves the right, in its sole and absolute discretion, at any time during the process to:

- require additional information from a startup/early-stage business
- perform security and/or financial checks and procedures in relation to each startup/early-stage business and each party with an interest in the startup/early-stage business

- change its requirements, including, at any stage, adding to or amending the information, terms, procedures, evaluation process and protocols set out in these Guidelines
- change the basis on which startups/early-stage businesses may, or are required to, participate in the process
- publish the names of startups/early-stage businesses
- clarify any aspect of a proposal
- discontinue negotiations at any time with any startup/early-stage business
- subsequently initiate any other procurement process for the same or similar requirements
- seek the advice of external consultants to assist the Government in the evaluation or review of responses
- make enquiries of any person, company, organisation or consortium to ascertain information about the proposal, the startup/early-stage business and any matter related to the response
- revert or change to public sector delivery of the proposal
- allow a startup/early-stage business to change its submission.

### **6.8 Acceptance of a Proposal**

The Government is not obliged to accept any proposal. No acceptance of a response nor any invitation to negotiate or to make an offer will be effective to constitute a contract or to create any legitimate expectation on the part of the startup/early-stage business unless a formal written contract is executed by both parties.

### **6.9 No Contract or Estoppel**

No contracts, contractual rights, estoppels or expectations, express or implied, shall arise, or be deemed to arise, out of the process set out in these guidelines.