

Innovation Development Fund 2021-22 Guidelines

Commonwealth policy entity:	Department of Education, Skills and Employment
Administering entity	English Australia
Enquiries:	If you have any questions, please contact innovation@englishaustralia.com.au
Date guidelines released:	4 January 2022
Type of grant opportunity	Targeted non-competitive

Contents

- 1. About the grant** **4**
- 2. Grant amount and grant period** **5**
 - 2.1 Grant amount 5
 - 2.2 Grant period 5
- 3. The grant selection process** **6**
 - 3.1 Eligibility criteria 6
 - 3.2 Selection criteria 7
 - 3.3 Ineligibility 7
 - 3.4 Suitability and risk assessment 8
 - 3.5 Length of operation 8
- 4. How to apply** **8**
 - 4.1 Application process 8
 - 4.2 Documentation and attachments 9
 - 4.3 Grant Assessment 9
- 5. Grant timeframe** **9**
 - 5.1 Late applications 9
 - 5.2 Expected timeframe 10
- 6. Grant activities** **10**
 - 6.1 Eligible grant activities 10
 - 6.2 Ineligible grant activities 11
 - 6.3 Evidence of expenditure 11
- 7. Grant delegate and approval process** **12**
 - 7.1 Assessment of grant applications 12
 - 7.2 Who will approve the grants application 12
 - 7.3 Dispute resolution 12
- 8. Successful grant applications** **12**
 - 8.1 The grant agreement 12
 - 8.2 Commonwealth Child Safe Framework 13
 - 8.3 How the grant will be paid 13

8.4 Grant payments and GST	13
9. Notification of the grant	13
9.1 Grant acquittal and reporting	13
10. Announcement of the grant	14
11. Grant evaluation	14
12. Glossary	15

1. About the grant

The purpose of the Innovation Development Fund commencing from 4 January 2022, is to allow eligible Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) registered private English Language Intensive Courses for Overseas Students (ELICOS) providers to apply for grant funding of up to \$150,000 to diversify their education offerings into online and offshore delivery.

The grant provides short term targeted short term support to vulnerable private ELICOS providers which have experienced significant declines in international student enrolments and are most at risk of closure as a result of COVID-19 border closures, to invest into establishing and expanding online and offshore delivery to re-establish a pipeline of students and support long-term recovery of the international education sector.

ELICOS providers can apply for funding if they meet the eligibility requirements outlined in Section 3.1 of these guidelines.

This grant will be administered by English Australia, known as the Program Administrator to act on behalf of the Department of Education, Skills and Employment (the department).

The Program Administrator will be responsible for:

- Administering the Program on behalf of the department
- Assessing applications from eligible providers
- Approving the allocation of funding to eligible providers
- Distributing grant funding to successful providers
- Acquitting funding provided to successful providers in line with the objectives of the Program
- Recovering funds paid to any providers which provide false and misleading information in order to receive funding under this grant opportunity
- Reviewing, collating and presenting grant statistics upon completion.
- Evaluating the program to ensure the grants are awarded to the most appropriate providers, and that the program has delivered on its policy intent.

The department will be responsible for undertaking further suitability and compliance checks if required prior to the application being considered by the Program Administrator.

This grant will be administered by the Program Administrator on behalf of the department.

The grant is to be undertaken in accordance with the [Commonwealth Grants Rules and Guidelines \(CGRGs\)](#)¹

¹ <https://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf>

2. Grant amount and grant period

The total Program funding available under this grant opportunity for private ELICOS providers, for activities in the second half of the 2021-22 financial year, is \$9 million GST exclusive.

If eligible, you will be able to apply for funding of up to \$150,000 to change your business models to diversify your education offerings into online and offshore delivery, in line with the objectives of the grant activity outlined in Section 1.

If the Program is oversubscribed, the Program Administrator will reduce the amount of funding allocated to each successful grantee.

Grantees are encouraged to consider contributing additional funding from their own resources to support this grant funding opportunity.

Commonwealth grant funding under this grant opportunity cannot exceed the amount of available funds.

2.1 Grant amount

Grantees will receive up to \$150,000.

Providers may apply for less than \$150,000.

If the Program is oversubscribed, the Program Administrator will reduce the amount of funding allocated to each successful grantee.

Grantees will not receive grant funding of more than they lost in revenue from international students over the 2021 calendar year. For example, if an eligible provider received \$94,000 less revenue in 2021 than in 2020, this provider can only apply for grant funding of up to \$94,000.

The maximum grant amount per grantee is \$150,000.

2.2 Grant period

This grant opportunity is available in the 2021–22 financial year. The opening date for applications is 4 January 2022 and the closing date for applications is 28 January 2022.

Grant funding must be expended by 31 December 2022.

The maximum grant period is one (1) year, noting that expenditure must be committed between the date the grant agreement is signed and 30 June 2022, and spent between the date the grant agreement is signed and 31 December 2022.

3. The grant selection process

Your application must include evidence demonstrating how you meet the eligibility and selection criteria. The Program Administrator will use this information to ensure funds are only allocated to private ELICOS providers most affected by COVID-19 border closures. The department may verify the information you provide in your application

3.1 Eligibility criteria

Applications that do not satisfy the eligibility criteria will not be considered. To be eligible to receive a grant, providers must:

- Be a CRICOS-registered private provider that primarily delivers ELICOS
- Be privately owned (ASIC documentation to be provided)
- Demonstrate the effect of border closures on business turnover by providing evidence it:
 - received more than 50 per cent of revenue² from international students in the 2019 calendar year
 - experienced a significant decline (30 per cent or more) in international student revenue between 2019 and 2021.³ For 2021, providers can demonstrate their eligibility using the decline in international student enrolments. 2021 international student revenue decline will then be verified once Tuition Protection Service (TPS) data is available.
- Not be a Table A, Table B or Table C provider (outlined in *Higher Education Act 2003*), or a subsidiary thereof, as registered by the Tertiary Education Quality and Standards Agency (TEQSA)
- Agree to the sharing of any information provided to the Program Administrator in the context of this application with the department
- Agree to have international student revenue information verified with tuition fee revenue reported to the TPS for calendar year 2020 and calendar year 2021 (once available). Funds will be recovered from any provider that provides false or misleading information in order to appear eligible for this grant opportunity.

Applicants will not be able to amend their 2020 revenue report to the Commonwealth Tuition Protection Service in order to meet eligibility for this grant opportunity.

² Revenue from international students will be taken to mean the funds received from international students to pay for their tuition, in line with information reported to the Commonwealth Tuition Protection Service.

³ Information provided by applicants to demonstrate the decline in international student revenue will be verified by the department against the information reported to the Commonwealth Tuition Protection Service for the 2021 calendar year (when available).

3.2 Selection criteria

In addition to meeting the eligibility criteria as outlined in Section 3.1, you must address the following requirements in your application:

Ability to adapt or diversify business models

- Demonstrate how you plan to adapt or diversify your business models to establish and/or expand online and offshore delivery of your education products. Strong applications will provide details of how they plan to leverage investment in infrastructure, staff expertise, marketing and promotion to fund the design of curriculums and innovative digital teaching solutions to expand their online and offshore delivery.
- Providers that received funding under the initial Innovation Fund must provide examples of how the initial grant funding has supported your business and demonstrate how further funding will support you to further innovate into online and offshore delivery.

Ability to adapt to the current environment

- Outline your business' efforts to adapt to the current environment. This would include how your business has/will deliver more education online and to international students offshore, or how your business will support students to transition to further onshore study as borders reopen.

Benefits of the grant funding to your business

- Outline how the grant opportunity will assist your business to achieve long-term viability, beyond the completion of the grant and how you will market and promote your business to attract more students. This can include detailing how you plan to develop into new target markets, grow student numbers, or how you plan to invest in staff expertise, marketing and promotion of education services and service delivery to increase online and offshore delivery.

Business plan

- Detail what you will spend the grant funding on if successful through this grant opportunity.

3.3 Ineligibility

You are not eligible to apply for this grant opportunity if you:

- Do not meet eligibility criteria listed at Section 3.1
- Do not address selection requirements at Section 3.2
- Do not meet the length of operation requirements at Section 3.5

- Excepting the initial Innovation Fund, are currently receiving funding from another government source for the same purpose
- Are currently facing any sanctions or being investigated for any compliance breaches
- Are a consortium
- Have closed or entered hibernation at any time in 2020 or 2021.

3.4 Suitability and risk assessment

As a part of eligibility assessment, you may be subject to further suitability and compliance checks with the assistance of governing bodies including the Tertiary Education Quality and Standards Agency (TEQSA), the Australian Skills and Quality Authority (ASQA), Tuition Protection Service (TPS) and the Australian Securities and Investments Commission (ASIC).

This will assist in determining any relevant information including:

- Compliance and quality assessment
- Accreditation/s held
- Financial viability

By submitting an application, you agree to these types of checks being conducted. This includes relevant information being shared with a determined Commonwealth entity.

The Program Administrator may reject your application based upon these assessments.

3.5 Length of operation

To be eligible for the grant, your business must demonstrate involvement and operation within the industry as a registered CRICOS provider before border closures were announced on 19 May 2020.

Your business must also be currently operating and registered as a CRICOS provider. Providers in hibernation/inactive, or that closed, at any point in 2020 or 2021 will not receive funding under this grant opportunity.

4. How to apply

4.1 Application process

Applications will open on 4 January 2022.

You will have three (3) weeks to submit your application.

You will need to apply to the Program Administrator addressing the criteria set out in Sections 3.1 and 3.2 within these guidelines by no later than 11:59pm AEST on 28 January 2022.

Any questions specific to the application process are to be directed to the Program Administrator.

4.2 Documentation and attachments

You will need to attach any supporting evidence to your application, including, where applicable, financial statements, tuition fee revenue reported to the TPS, staff levels and student enrolments.

The Program Administrator or the department may seek further clarification about the documentation and information provided as a part of your application.

4.3 Grant Assessment

The Program Administrator will assess each application against the criteria outlined in Section 3.

5. Grant timeframe

The grant will be delivered in the 2021-22 financial year, with funds being distributed from 11 February 2022.

The application period will run from 4 January 2022 until 28 January 2022 (three weeks).

You must submit the application before the closing date, by 11:59PM AEST on 28 January 2022.

5.1 Late applications

The Program Administrator will not accept late applications unless the applicant has experienced exceptional circumstances that prevent the submission of the application. Broadly, exceptional circumstances are events characterised by one or more of the following:

- reasonably unforeseeable
- beyond the applicant's control
- unable to be managed or resolved within the application period.

The Program Administrator will consider exceptional circumstances on a case-by-case basis. Providers that wish to submit a late application are required to submit a request to the Program Administrator within 72 hours of the closure of the grant opportunity or a late application will not be considered.

5.2 Expected timeframe

Table 1: Expected timing for this grant opportunity

Activity	Timeframe
Application process opens	4 January 2022
Applications process closes	28 January 2022
Assessment of applications	Completed by 4 February 2022
Advice to applicants	From 7 February 2022
Grant payments made	From 11 February 2022 (or when agreement is executed, whichever is earlier)
End date of grant activity	31 December 2022
Reconciliation of all grant expenditure	Before 30 June 2022

6. Grant activities

6.1 Eligible grant activities

Grantees may choose to spend grant funding in line with the objectives of the Program as outlined in Section 1, as long as funding is not used for activities outlined in Section 6.2.

Grantees must commit grant funds to, or incur costs of, eligible grant activities between the start date of the grant agreement and 30 June 2022. Grantees must complete all eligible grant activities before 31 December 2022. Grantees must reconcile their grant funding with the Program Administrator before 31 December 2022.

Eligible expenditure items could include:

- Investment in hardware, software and educational theory and practice to facilitate learning (i.e. edtech)
- Designing curriculums and innovative digital teaching solutions for online and offshore delivery.
- Developing new educational products and online programs for the delivery of private ELICOS courses
- Engaging professional consultation services
- Creating new business plans and models
- Promoting new market opportunities
- Investing in infrastructure

- Facilitating staff expertise to deliver the services efficiently
- Marketing and promotion of education services
- Service delivery costs

Not all expenditure on grant activities may be eligible for grant funding.

The department has overarching and final determination authority on eligible expenditure of grant funding. If clarification is required on eligible expenditure, the Program Administrator is to be approached initially, and advice may be sought from the department in making determinations. Grantees must incur the expenditure on their grant activities between the commencement date and completion date of their grant agreement for it to be eligible.

6.2 Ineligible grant activities

Grantees cannot use the grant for:

- Ordinary administration costs such as rent, electricity and other utility bills
- Purchase of land
- Repayment of debts
- Purchase of vehicles
- Covering of retrospective costs
- Major construction/capital works
- Activities for which other Commonwealth, state, territory or local government bodies have primary responsibility
- Retrospective costs (i.e. costs incurred prior to the grant agreement execution date)

The Program Administrator cannot provide grant funding to applicants that receive funding from another government source for the same purpose with the exception of the Innovation Fund.

6.3 Evidence of expenditure

The grantee is required to provide the evidence of their expenditure when reconciling their grant funds with the Program Administrator. The grantee must demonstrate no funds have been used for ineligible grant activities. Grantees must reconcile their grant funds between 30 June 2022 and 31 December 2022.

Any unspent grant funds or grant funds used for ineligible activities will be required to be returned to the Commonwealth.

The Program Administrator will recover grant funds from any grantee that enters hibernation or closes during the grant period.

7. Grant delegate and approval process

7.1 Assessment of grant applications

The Program Administrator will review your application against the eligibility criteria. Only eligible applications will be considered.

The Program Administrator will assess whether the application is eligible against the criteria at Section 3.1.

7.2 Who will approve the grant applications

The Program Administrator will decide which applications to approve for receipt of a grant in accordance with these guidelines and the availability of grant funding for the grant opportunity.

If the Program is oversubscribed, the Program Administrator will reduce the amount of funding each grantee will receive.

There is no appeal mechanism for decisions to approve or not approve a grant.

7.3 Dispute resolution

Grantees should seek to resolve any disputes directly with the Program Administrator. In the unlikely event a dispute cannot be satisfactorily resolved directly between the grantee and the Program Administrator, the grantee may refer the dispute to the department.

8. Successful grant applications

8.1 The grant agreement

The grantee must enter into a legally binding agreement with the Program Administrator.

The Program Administrator must execute a grant agreement with successful applicants before they can make any payments. The Commonwealth and the Program Administrator are not responsible for any of your expenditure before a grant agreement is executed. If successful applicants choose to start their projects before they have an executed grant agreement, they do so at their own risk.

Each grant agreement may have specific conditions determined by the assessment process or other considerations made by the decision maker. These are identified in the agreement.

Successful applicants will have ten (10) business days from the date of a written offer to sign and return the grant agreement. The grant agreement is not considered to be executed until both the successful applicant and the Program Administrator have signed the agreement.

The offer may lapse if both parties do not sign the agreement within this time. Under certain circumstances, the Program Administrator may extend this period.

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

8.2 Commonwealth Child Safe Framework

Grantees will be required to comply with all child safety obligations included in the agreement with the Program Administrator. Irrespective of the child safety obligations in the agreement grantees must always comply with your state and territory legislative requirements for working with children and mandatory reporting.

8.3 How the grant will be paid

The agreement will state the maximum grant amount to be paid. Payment will only be made once the agreement has been executed.

The payment will not exceed the maximum amount under any circumstances. Grantees are responsible for meeting any additional costs they incur under the grant opportunity.

To determine the amount to be paid to successful applicants, the Program Administrator will take into account the reduction in international student revenue⁴ and international student enrolments experienced by each applicant between 2020 and 2021

8.4 Grant payments and GST

Successful applicants should consider speaking to a tax advisor about the effect of receiving funding before they enter into an agreement. They can also visit the [Australian Taxation Office website](#) for more information.

9. Notification of the grant

The Program Administrator will advise you of the outcome of your application in writing. The Program Administrator will advise you of any specific conditions attached to the grant.

9.1 Grant acquittal and reporting

The grantee must submit reports in line with the timeframes in the agreement with the Program Administrator. The grantee must provide permission for the Program Administrator to share these reports with the Commonwealth.

Reports will include:

- acquittal of the grant monies in line with the objectives of the program as listed at Section 1
- contributions of participants directly related to the grant activity
- the actual or anticipated impact on international student numbers caused by the activities funded through this grant

The Grantee will also be responsible for:

⁴ Revenue from international students will be taken to mean the funds received from international students to pay for their tuition, in line with information reported to the Commonwealth Tuition Protection Service.

- meeting the terms and conditions of the agreement with the Program Administrator and managing the grant activity efficiently and effectively
- complying with record keeping, reporting and acquittal requirements as set out in the agreement
- participating in a Grant Program evaluation.

10. Announcement of the grant

If you successfully apply for grant funding, your grant will be listed on the GrantConnect website 21 calendar days after the date of effect.

The Minister for Education and Youth or the department may publicly announce grantees. You may not announce the outcome of your application to this grant round unless advised by the department.

The department may also publish details of subsequent activities completed as a result of this grant opportunity on its website or through other media.

Such public details may also include information provided by grantees, which is compiled or obtained during the assessment of applications and negotiation of grant agreements. This excludes information that the Commonwealth determines is confidential.

11. Grant evaluation

The department may evaluate the particulars of this grant to gather statistical data to measure if policy outcomes and objectives have been achieved, and the department may use any information provided to the Program Administrator during the grant activity for this and related purposes.

12. Glossary

Term	Definition
administering entity	when an entity that is not responsible for the policy, is responsible for the administration of part or all of the grant administration processes. For the purposes of this grant opportunity, English Australia is the administering entity.
ASIC	Australian Securities and Investments Commission
ASQA	Australian Skills and Quality Authority
assessment criteria	are the specified principles or standards, against which applications will be judged. These criteria are also used to assess the merits of proposals and, in the case of a competitive grant opportunity, to determine application rankings. The assessment criteria for this grant opportunity are set out in section 3.2 of these guidelines.
calendar year	the period from 1 January to 31 December of the same year.
commencement date	the start date for the grant activity. This is expected to be the day directly after the date the grant agreement is executed.
Commonwealth entity, Commonwealth policy entity.	a department of state, or a parliamentary department, or a listed entity or a body corporate established by a law of the Commonwealth. See subsections 10(1) and (2) of the PGPA Act. For the purposes of this grant activity, the Commonwealth policy entity is the Department of Education, Skills and Employment, unless otherwise stated.
<u>Commonwealth Grants Rules and Guidelines (CGRGs)</u>	establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration. Under this overarching framework, non-corporate Commonwealth entities undertake grants administration based on the mandatory requirements and key principles of grants administration.
completion date	the expected date that the grant activity must be completed and the grant spent by. For this grant opportunity, the completion date will be 31 December 2022.

Term	Definition
consortium/consortia	a formal arrangement between two or more eligible tertiary education providers. A lead organisation must be appointed who can submit an application form and enter into a grant agreement with the Commonwealth.
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
date of effect, date of execution	the date on which a grant agreement is signed or a specified starting date.
decision maker	the person who makes a decision to award a grant. For this grant opportunity, English Australia is the decision maker.
ELICOS	English Language Intensive Courses for Overseas Students
ELICOS provider	Education provider that delivers English Language Intensive Courses for Overseas Students
(primarily delivers) ELICOS	more than 50 per cent of enrolments are for ELICOS
eligibility criteria	refer to the mandatory criteria which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria. The eligibility criteria for this grant opportunity are set out in section 3.1 of these guidelines.
grant	<p>an arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth:</p> <ol style="list-style-type: none"> a. under which relevant money^[1] or other <u>Consolidated Revenue Fund (CRF)</u> money^[2] is to be paid to a grantee other than the Commonwealth 2. which is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives.
grant activity/activities	refers to the project/tasks/services that the grantee is required to undertake. Eligible grant activities for this grant opportunity are outlined in section 6.1 of these guidelines.
grant agreement	sets out the relationship between the parties to the agreement and specifies the details of the grant.

^[1] Relevant money is defined in the PGPA Act. See section 8, Dictionary.

^[2] Other CRF money is defined in the PGPA Act. See section 105, Rules in relation to other CRF money.

Term	Definition
grantee	the individual/organisation which has been selected to receive a grant.
grant opportunity	refers to the specific grant round or process where a Commonwealth grant is made available to potential grantees. Grant opportunities may be open or targeted, and will reflect the relevant grant selection process.
hibernation	a provider that suspends normal business trading for a period of time with a view to resuming normal operations when conditions improve.
Innovation Fund, initial Innovation Fund	The fully subscribed \$9.4 million Innovation Fund (announced in the 2021-22 Budget), that provided one-off grant funding for eligible private higher education and ELICOS providers hardest hit by the COVID-19 pandemic to grow online and offshore education delivery in 2021–22 through grants of up to \$150,000.
international student	a student who holds a valid student visa (e.g. subclass 500) and is enrolled in a course of study in Australia.
online learning	study where the teacher and student primarily communicate through digital media, technology-based tools and IT networks and does not require the student to attend scheduled classes or maintain contact hours
offshore learning	students enrolled at an Australian education provider however are not located within Australia.
PGPA Act	the <u>Public Governance, Performance and Accountability Act 2013</u> .
Private provider	A provider of education that is not owned, nor is a subsidiary of, a publicly funded institution.
tuition fee declaration to the TPS	CRICOS registered providers must report their revenue from tuition fees paid by international students to the Tuition Protection Service (TPS) annually. For the purposes of this grant, the tuition fee declaration will be used to verify the reduction in revenue from international students.
selection criteria	comprise eligibility criteria and assessment criteria.

Term	Definition
selection process	the method used to select potential grantees. This process may involve comparative assessment of applications or the assessment of applications against the eligibility criteria and/or the assessment criteria.
Table A, B or C provider	Providers as listed in section 16-15, section 16-20 section 16-22 (Tables A, B and C respectively) of the <i>Higher Education Support Act 2003</i> .
TEQSA	Tertiary Education Quality and Standards Agency
TPS	Tuition Protection Service