

MINISTERIAL GUIDELINES - AUSTRALIAN SMALL BUSINESS ADVISORY SERVICES (ASBAS) PROGRAMME

JULY 2014

1. PURPOSE

These Ministerial Guidelines provide information of the policy underpinning the Australian Small Business Advisory Services (ASBAS) Programme (previously known as the Small Business Advisory Services Programme).

2. POLICY OVERVIEW

The Australian Government is committed to improving the ability of established not-for profit advisory service providers to small businesses that are providing low cost advisory and information services.

Funding under the ASBAS programme will be provided to established not-for-profit small business advisory service providers, including eligible Business Enterprise Centres and Registered Business Organisations, through competitive, merit based funding rounds that may be conducted every three years. Funding is intended to supplement existing funding arrangements from other sources, rather than replace existing funding.

3. OBJECTIVE

The key objective of the ASBAS programme is to improve the capacity of established not-for profit small business advisory service providers, delivering low cost small business advisory and information services. ASBAS will support small business advisory service providers, boosting their productivity, and allowing them to better achieve their goals of supporting small business people in improving their competitiveness and their capacity to commercially deal with corporations.

4. DESIGN

The ASBAS programme will provide funding to the eligible small business advisory service providers judged most able to improve the accessibility, volume and quality of their low cost business advisory services.

Grants, generally in the vicinity of \$200,000 per annum, will be provided to eligible small business advisory service providers, however, subject to available funding, should the grant amount need to be revised this will be announced at the time of calling a funding round and specified in the ASBAS Customer Guidelines.

The level of grant funding does not of itself limit the budget for proposals. Eligible business advisory service providers are encouraged to seek co-funding for proposals through other revenue sources.

5. APPLICATION ELIGIBILITY

Applicants for funding under the ASBAS programme must meet the following eligibility criteria.

Eligible small business advisory service providers must be:

- businesses which provide business advisory services and which are corporations within the meaning of s 51(xx) of the Constitution; or
- businesses whose operations are entirely carried out in a Territory.

In addition the eligible small business advisory service providers must:

- be not-for-profit;
- be incorporated or registered under a relevant law of the Commonwealth, State or Territory.

- have an Australian Business Number; and
- be an established Business Enterprise Centre or a Registered Business Organisation.

6. MERIT CRITERIA

Applications received from eligible small business advisory service providers for grant funding will be assessed on their merits in a competitive process.

The merit criteria against which each project will be assessed are:

1. the extent to which the small business advisory service provider can demonstrate that there is a particular unmet need and/or demand for the proposed low cost service and/or project in the area/sector within which it is intended to be conducted;
2. the extent to which the proposed service and/or projects will meet stated objectives and the level of risk to that success, including how risks will be addressed; and
3. the extent to which the small business advisory service provider can demonstrate that the proposed service and/or project represents value for money for the Commonwealth.

The Customer Guidelines will elaborate on the manner in which these criteria will apply.

7. SERVICE/PROJECT CRITERIA

Recognising the diverse needs of not-for-profit business advisory service providers within particular regions and/or specialising in specific industry sectors, it is not intended, unless otherwise stated in these guidelines, to be prescriptive as to the services/project that are to be provided. An applicant for ASBAS funding, aiming to enhance its ability to provide a proposed low cost business advisory service/project, will need to demonstrate that its business model is:

- relevant – that is, it provides business advisory services to contribute to maximising the productivity and/or competitiveness of the participating enterprising people.
- practical – that is, oriented towards action learning for participants to build business skills and/or firm capability, and may include mentoring;
- flexible – delivered in a manner that suits the participant enterprising people; and
- focused – improves the business and/or financial management skills of the participating enterprising people.

Business advisors service providers, such as those with a track record of providing business and/or financial planning, are the types of providers that the ASBAS programme would support. The Customer Guidelines will elaborate on the types of services/projects that potential business advisors would have to demonstrate expertise in delivering.

Eligible business advisory service providers will also need to demonstrate that they have access to sufficient capability to provide business advice, information and tailored knowledge – including recommendations about government programmes and services to meet the specific needs of the participating enterprising people. Successful applicants will be required to promulgate information about business support measures on behalf of the Australian Government.

The ASBAS Customer Guidelines will elaborate on these criteria.

The Australian Government at its discretion may also provide funding for National Interest projects under the ASBAS programme. Eligible business advisory services providers may submit an *ad hoc* proposal to the Minister seeking funding for a National Interest project under the programme. Decisions about whether or not a proposal is in the National Interest will be made by the Minister for Small Business. AusIndustry, within the Department of Industry, will assess projects for funding in accordance with these Ministerial Guidelines and make appropriate recommendations to the Minister for decision. Applications will be considered independent of any competitive merit-based funding round. In considering such applications (if any), national interest considerations, such as whether the project is of a strategic, urgent or high impact nature will be applied in addition to the eligibility and merit criteria that all other applicants are required to meet.

8. FUNDING ROUNDS

From time to time the Minister, subject to available funding, may call for applications for funding under the ASBAS programme in a round/s.

At the discretion of the Minister:

- a funding round/s may be targeted toward a particular small business advisory opportunity and/or challenge or to meet Australian Government priorities. These small business issue/s and/or priorities, if any, will be announced at the time of calling a funding round; and
- business advisory service providers that have previously been funded under the SBAS Programme may or may not be eligible to apply for any subsequent funding under this programme. If this provision is applied, it will be announced at the time of calling a funding round and stated in the Customer Guidelines.

Grant payments to the successful applicants are subject to the applicant entering into a funding agreement with the Commonwealth of Australia governing the provision of funding for, and the conduct of, supported services and/or projects.

Conditions of funding, including eligible expenditure and payment/s will be determined by the Funding Agreement between the Commonwealth of Australia and the funding recipient.

9. DELIVERY

This programme will be delivered by AusIndustry, within the Department of Industry.

Existing funding agreements will be administered in accordance with the Guidelines that were applicable at the time the agreement was signed. In the event that an organisation previously supported through the ASBAS programme is successful under future funding rounds they will be required to enter into a new agreement for each funding round.

AusIndustry will assess projects for funding under the ASBAS programme in accordance with these Ministerial Guidelines and the Customer Guidelines, and make appropriate recommendations together with The Treasury to the Minister for Small Business for decision.

The Minister has overall responsibility for the ASBAS programme and will, among other things:

- have the final decision as to which applications will result in an offer of funding being made;
- have the final decision as to whether an application will be funded;
- taking into account available funding, decide the quantum of the grant and terms and conditions on which it is offered; and
- also determine the conditions on which offers of funding will lapse.

The Minister may appoint a Programme Delegate and authorise the Programme Delegate to carry out certain functions under the ASBAS programme.

The Programme Delegate may among other things:

- develop and issue Customer Guidelines relating to the delivery of the ASBAS programme or if applicable an element of it, consistent with the terms of the Ministerial Guidelines; and
- enter into funding agreements with successful applicants.

10. ASSESSMENT OF APPLICATIONS

Applications received from eligible business advisory service providers will be assessed against the merit criteria. Applications that meet the objectives and requirements of the Guidelines to a high degree will, in the absolute discretion of the Australian Government, be considered for funding support under this programme, subject to the availability of funding and the capacity of the applicant to enter into a funding agreement with the Commonwealth.

The ASBAS programme will only support a limited number of applications. Consequently, not all proposals will be successful and meeting the eligibility and merit criteria to a high degree will not of itself guarantee that an offer of funding will be made.

10.1. Reviews and Feedback

AusIndustry will provide feedback to unsuccessful business advisory service applicants on request. This information will be available to the nominated contact officer identified in the application.

Any complaints about customer service, including the application assessment process, will be dealt with in the manner described in the Customer Guidelines.

11. DEFINITION OF KEY TERMS

A **business** is defined as those commercial activities or enterprises undertaken by an entity that has an Australian Business Number (ABN).

Business Enterprise Centres are defined as incorporated not-for-profit bodies, which provide low cost services to small businesses as part of an existing network of business advisory service providers.

Customer Guidelines are guidelines issued by the Delegate relating to specific matters arising out of the administration of the programme and are in accordance with Ministerial Guidelines.

Eligible application or proposal means an application or proposal for grant funding under the ASBAS programme that the Delegate has determined is eligible for merit ranking in accordance with the Programme's Guidelines.

Enterprising People are defined as a person/s who has a business idea and has the intention to develop the idea and start a new small business or has purchased an existing small business or operate a small business in accordance with these Ministerial Guidelines.

Programme Delegate means an employee of the Commonwealth who has been empowered by the Minister with portfolio responsibility for small business, or otherwise duly authorised, to carry out the relevant function in respect of the ASBAS Programme.

Minister means the Australian Government Minister who has portfolio responsibility for small business.

National interest projects are those projects considered by the Australian Government, in its absolute discretion, to be of a strategic, urgent or high impact nature.

Registered Business Organisation is an incorporated, not for profit organisation that provides support to small businesses to help them achieve productivity and/or competitiveness.

Small businesses –unless otherwise stated in these Guidelines or the Customer Guidelines– are defined as businesses having less than 20 full time (or equivalent) employees:

- **An employee** can be defined as a person that a business directly engages, controls and pays a wage for their labour, who does not have a substantial management role in the day to day operations of the business.
- **Full time work** can be defined as those employees who **usually** work 35 hours or more per week. Businesses with a range of employment arrangements such as casuals and part-time workers, should calculate the number of hours worked by other than full time employees and divide that total by 35. For example 3 casual employees working 12 hours per week work a total of 36 hours per week. This equates to one full time employee.