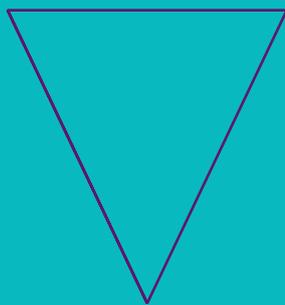


**REGIONAL
DEVELOPMENT VICTORIA**

Victorian Forestry Business Transition Support Voucher Program

APRIL 2020



1. Background

The Victorian Forestry Plan has been developed to assist the industry as it manages a gradual transition away from native timber harvesting. Under the plan, VicForests will meet existing contractual obligations and negotiate new sawlog supply contracts for all mills to mid-2024.

From 2024 to 2030, a competitive process will be used for timber allocation with commercial native timber harvesting in State forests phased out by 2030.

2. Victorian Forestry Business Transition Support Voucher (FTBV) program

The Victorian Forestry Business Transition Support Voucher (**FTBV**) program is part of the Victorian Government's broader \$120 million Victorian Forestry Plan Transition Package that focuses on retaining industry and community capability and jobs.

The FTBV program is a \$1.1 million program to assist directly impacted businesses with the help they need to plan for their future.

The FTBV program offers access to tailored support through specialist business services to equip affected businesses with a better understanding of their business capabilities, options and strategies for transition.

Funding of up to \$25,000 (exclusive of GST) per business is available to engage appropriate professional services to undertake a Business Diagnostic and / or develop a Business Transition Plan.

The Program is administered by the Rural & Regional Victoria Group (RRV) within the Department of Jobs, Precincts and Regions (**the Department**).

3. Registered Service Providers

Assistance is provided through a Department-approved panel of Registered Service Providers who have been assessed as having the right professional experience and knowledge. FTBV program participants (**Participants**) can choose a provider from this panel that suits their needs.

Participants can choose to nominate a preferred business service provider that is not on the Panel.

The selected business service provider will be required to be assessed against the Panel criteria on their ability to undertake the required service.

4. Assistance Available

Registered Service Providers can provide the following support to Participants:

Business Diagnostic – an initial check of the business' status to help identify future opportunities and next steps.

Business Transition Plan – developed by the Registered Service Provider and the Participant, this is a more in-depth identification of diversification opportunities and includes the strategies and capabilities the business needs to pursue in order to transition to future opportunities in forestry or other industries.

Updates of established plans – where a business has an established transition plan, a Registered Service Provider can be engaged to undertake a review of the existing plan. The review will determine if appropriate strategies are in place to assist the Participant through the transition period and make recommendations for change where appropriate. A Participant may be eligible for assistance to develop a revised Business Transition Plan if necessary.

Further support:

A representative of RRV will be available to provide additional support to Participants particularly to identify specific requirements and broader opportunities for each participant business.

5. Funding

Under voucher-type programs, funding is paid to the Registered Service Provider once the services have been satisfactorily provided.

FTBV Program Vouchers¹ are capped at a maximum value of \$25,000 (exclusive of GST). Participants will be required to meet any additional costs where the total project cost exceeds the value of support provided by the Department. For example, if the total cost of agreed services between the Participant and the Registered Service Provider is \$35,000 (exclusive of GST), the Voucher will cover the maximum of \$25,000 (exclusive of GST) and the remaining \$10,000 (exclusive of GST) must be covered by the Participant.

¹ A Voucher can be used by businesses to access services, advice, or expertise provided by Registered Service Providers. Vouchers are issued in the name of the Applicant company (the FTBV Participant), have no cash value and are non-transferable, they are only payable to the selected Registered Service Provider. Except where otherwise stated, Payment up to the face value of the Voucher (exclusive of GST) are made by the Department to the Registered Service Provider upon completion of the project.

Agreed services that total less than \$25,000 (exclusive of GST) will be covered by the Voucher, without any requirement for the Participant to make a cash co-contribution.

The Department reserves the right to determine the value of the support, which may be less than the amount requested by the Participant.

6. Application Process

Applications to become Participants in the FBTV Program will be sought via invitation from forestry industry businesses identified by the Department as being directly affected by the Victorian Forestry Plan.

Businesses who believe they meet the eligibility criteria but did not receive an invitation to apply are encouraged to contact the Business Transition Support Officer (refer to the FBTV program website at www.business.vic.gov.au) to discuss their eligibility.

Refer to Section 8 Eligibility – FBTV program Participant.

Prior to applying, businesses must first engage with a Registered Service Provider to agree on the services, timing and cost before applying for a Voucher. A detailed 'Scope of Services'² must be included in the application.

It is the applicant's responsibility to ensure all requested information is supplied to the Department.

The Department will confirm eligibility, conduct due diligence, and assess the Scope of Services to ensure it meets the FBTV program's requirements and is reflective of the required engagement.

Access to the application form can be found on the FBTV program website (business.vic.gov.au).

7. Closing Date

Applications to the FBTV program will close on **31 March 2021**.

8. Eligibility - FBTV program Participant

Eligible Participants are businesses that either:

- hold a current VicForests Timber Supply Agreement; or
- hold a Forest Produce Licence issued by VicForests; or
- are a Timber harvest and haulage business with a current VicForests Agreement.

Eligible businesses must also meet all the following criteria to be eligible for assistance under the FBTV program:

- have an Australian Business Number (ABN);
- conduct business operations within Victoria; and
- meet all industrial relations obligations as an employer in accordance with the National Employment Standards under the *Fair Work Act 2009* (Cth).

Note:

- An incorporated Trustee can apply on behalf of a Trust provided that the Trustee will remain sufficiently liable for the performance of any agreement it signs; it complies with the conditions listed above, and it is entitled to be indemnified from the Trust funds under the relevant Trust Deed.
- Individual Partners may apply on behalf of a Partnership provided that the Partners will remain jointly liable for the performance of any agreement signed in connection with the Voucher program, and the Partnership complies with the other conditions listed above.

The following are not eligible to be a Participant:

- Commonwealth, State and Local Government agencies and bodies
- Publicly funded research institutions
- Not-for-profit organisations.

² A scope of services, also called a scope of works, is a detailed work order. A scope of services helps define the services being sought and details what services are required. In this case the scope of services will include a price quote and timing.

9. Eligibility – Registered Service Provider

Registered Service Providers are selected by the Department through a competitive assessment process.

Through the assessment process Registered Service Providers are required to demonstrate that they:

- a) have a trading history of at least two years³
- b) are financially viable⁴
- c) are based in or have an operating presence in Victoria;
- d) supply eligible services and where applicable demonstrate industry-specific knowledge;
- e) commit to undertake their role in accordance with these Guidelines; and
- f) are one of the following entity types:
 - i. A private or public company (not listed) incorporated in Australia under the Corporations Act 2001, that is non tax-exempt and is registered for GST; or
 - ii. A not-for-profit organisation that:
 - is an incorporated body, co-operative or associate (including business associations); and
 - has an Australian Business Number (ABN) or can provide written advice from the Australian Tax Office that no withholding tax is required from the Voucher payment.

Registered Service Providers will be selected based on their application to be involved in the program, against the following selection criteria:

- a) proven experience in undertaking external shock impact business diagnostics;
- b) demonstrated understanding of forestry businesses and the Victorian forestry industry;
- c) proven knowledge of transition activities including a design methodology and its practical application;
- d) proven experience in generating high-quality detailed and useable Business Transition Plans; and
- e) ability to access clients across regional Victoria.

A Registered Service Provider will be required to enter a Deed of Standing Offer with the Department under which it must warrant to the Department that it is:

- a) Committed to scoping services that are reflective of the client's unique circumstances;
- b) Committed to providing services at competitive market rates;
- c) Committed to servicing projects within a reasonable timeframe as agreed with the business, including the negotiation and agreement of terms concerning intellectual property rights;
- d) Committed to travelling to regionally based clients; and
- e) Not currently involved in litigation against the Department.

The Service Providers may not subcontract the Services under a Voucher without the approval of the Participant and the State.

Registered Service Providers will be listed on the FBTV Program webpage at www.business.vic.gov.au

10. Participant and Service Provider relationship

Participants and Registered Service Providers must be entirely unrelated entities.

They may not be owned by the same parent company, share governance or have common directors.

Applicants to the FBTV program are required to declare any existing governance relationships between themselves and the nominated Registered Service Providers, including whether any of the Registered Service Providers:

- a) Are subsidiaries or related bodies corporate within the meaning of the *Corporations Act 2001*; or
- b) Share common directors, officers or senior managers; or
- c) Share any person who controls (directly or indirectly) or has substantial influence over the exercise of voting power under the governance arrangements of the respective organisations.

³ The Department reserves the right to waive this requirement on a case-by-case basis.

⁴ Potential service providers may be required to submit audited financial accounts for the previous two (2) Financial Years, plus interim accounts if the financial accounts are over six (6) months old.

11. Eligible Project Activities

Funding under the FBTV program is for the purpose of a Business Diagnostic and if requested preparation of a Business Transition Plan or Update of a Business Transition Plan (if approved).

12. Ineligible Project Activities

The following will not be funded under the FBTV:

- a) Capital expenditure
- b) Internal costs, salaries, worker entitlements or resources of the Applicant
- c) Software and hardware purchases
- d) Training courses, units or modules (e.g. language, mentoring, coaching or other)
- e) Interpreting and translation costs
- f) Costs associated with minor or non-technical alterations of a product to suit a specific market
- g) Costs associated with applying for government grants and funding programs
- h) Basic professional services such as ongoing, routine accounting, tax and legal business requirements, licensing, costs associated with export documentation, legal / intellectual property costs, financing fees
- i) Routine maintenance
- j) Travel costs and entertainment costs
- k) Costs associated with group trade missions, delegations, events, seminars, workshops and / or training
- l) Any amount paid on account of goods and services tax
- m) Any administrative fees or surcharges for administering the expenditures listed above
- n) Services relating to import activities
- o) Projects where the primary purpose relates to offshore manufacturing
- p) Intellectual Property fees and charges associated with registering domestic or international patents or other intellectual property enforcement expenses
- q) Any other expenditure as determined by the Department that does not meet eligibility under the FBTV program.

Assistance of any kind will not be provided to Participants who commence their project activity prior to receiving a Letter of Offer from the Department approving their eligibility for a Voucher under the FBTV Program.

13. Funding Conditions

a) Voucher conditions

Eligible Participants will receive a Letter of Offer outlining funding obligations. This offer remains valid for a period of one (1) month from the date of the Letter of Offer. A Voucher will be issued to the Participant once the Department has received the acceptance of the Letter of Offer signed by the Registered Service Provider, along with a Service Agreement signed by both the Service Provider and the Participant.

b) Duration of Projects

Projects are to commence within three months and be completed within six months of the date of Voucher issue. The Department reserves the right to withdraw the offer of Voucher funding if projects are not commenced or completed within the allocated time.

c) Payment conditions

Each Voucher can only be used for the services of one Registered Service Provider, not multiple Registered Service Providers. Payment up to the face value of each Voucher will be direct from the Department to the Registered Service Provider. GST will be paid in addition to the Voucher value where applicable.

The Service Provider will not be able to redeem the Voucher, and the Department will not be liable to pay the Service Provider until it has received:

- A valid tax invoice from the Service Provider specifying the actual services provided to the Participant up to the value of the Voucher;
- The Voucher issued to the Participant signed by both the Applicant and the Service Provider indicating that the agreed activities have been completed;
- A Statutory Declaration signed by the Participant stating the Services were completed in accordance with the Service Agreement and were satisfactory;

- a copy of the final Business Diagnostic and if undertaken Business Transition Plan or (Update) to the satisfaction of the Department and / or any additional documents or other evidence as the Department may reasonably require;
- if, in the event the project cost exceeds the value of the Voucher (capped at \$25,000 exclusive of GST), a Statutory Declaration from the Service Provider that states that the project has been completed and that the Service Provider has received the Participant's co-contribution; and
- the Department is satisfied that the Services have been completed in accordance with the Service Provider's agreement with the Department.

If a Registered Service Provider is delivering multiple concurrent FBTV Program projects the Department will consider splitting milestone payments at its discretion.

14. Terms and Conditions

The Department reserves the right to make changes to these Guidelines as required.

Any changes to the Guidelines will not affect the eligibility of applicants and applications made prior to the date of publication of the new Guidelines.

a) Conditions of Registered Service Provider

Selected Registered Service Providers will be made an offer in writing to register for the Service Providers' panel.

By accepting the offer, Service Providers will be agreeing to terms and conditions that include:

- Committing to providing services at competitive market rates;
- Committing to undertake their role and responsibilities in accordance with these Guidelines;
- Guaranteeing that they are not currently involved in litigation and that they will advise the Department if these circumstances change; and
- Committing to participate in-program evaluation activities as required by the Department.

b) Service Agreement

The Registered Service Providers will enter into a Service Agreement with a Participant to provide the agreed services. The Department is not a party to this Agreement and the Participant accepts all risk associated with contracting with the Service Provider.

Under the agreement the Department has with the Service Provider, the Service Agreement must include, at a minimum, the following:

- A description of the services to be provided (Statement of Works);
- Total fees for the services;
- An outline of any required intellectual property arrangements; and
- Any other terms and conditions as required by the parties to the agreement.

Neither the Department nor the State is, or will be deemed to be, a party to the Service Agreement or is liable in any way for the acts or omissions of a Service Provider, or a Service Provider's services or obligations under any agreement between a Participant and a Service Provider.

c) Removal from Registered Service Provider Panel

- The Department reserves the right to remove any Registered Service Provider from the panel at its absolute discretion; and
- A Registered Service Provider may request to be removed from the panel at any stage. The Service Provider must ensure any active Voucher projects are managed to completion following removal from the panel.

d) Post Project Evaluation

All Participants and Registered Service Providers must agree to comply with the Department's performance monitoring and evaluation regime.

The Participants and Registered Service Providers may receive an evaluation survey from the Department and may be required to participate in program evaluation activities.

The evaluation surveys may be required for up to three years following completion of the project and payment of the voucher.

This is a non-negotiable requirement for all participants of the program. Non-compliance could impact future applications to the Department's programs. Successful program outcomes may be used in program evaluation reviews and Departmental marketing collateral.

e) Publicity

Participants and Registered Service Providers must agree to cooperate with the Department in the promotion of the program.

This may include involvement in media releases, case studies or promotional events and activities.

The Department may request Participants and Registered Service Providers to fact check any text and seek approval to use any owned imagery associated with the activity prior to the publication of any such promotional materials.

Participants and Registered Service Providers' must not make any public announcement or issue any press release regarding the receipt of a Voucher without prior approval by the Department.

All Voucher participants will be publicly listed in Departmental annual reports and on Program websites.

f) Confidentiality

Any personal information provided by the Participant and Registered Service Provider or a third party in an application will be collected by the Department for the purpose of program administration.

This information may be provided to other Victorian Government bodies for the purposes of assessing applications.

If confidential personal information about third parties is included in an application, Applicants are required to ensure that the third party is aware of the contents of this Privacy Statement.

Any personal information collected, held, managed, used, disclosed or transferred will be held in accordance with the provisions of the *Information Privacy Act 2000* (VIC) and other applicable laws.

The Department is committed to protecting the privacy of personal information. The Department's Privacy Policy can be found online at [//djpr.vic.gov.au/](https://djpr.vic.gov.au/).

Enquiries about access to information should be directed to the Department's Privacy Unit by phone on (03) 9651 9749 or email privacy@ecodev.vic.gov.au

g) Contacts and Further Information

If you require further information about this program visit www.vic.gov.au/forestry or contact the Victorian Forestry Plan Information Telephone line on 1800 318 182.

15. Information only and disclaimer

These Guidelines and any discussions a Participant may have with Rural & Regional Victoria or Department Representatives are for information only, and do not constitute advice.

Applicants should seek independent advice before making an application for a Voucher or entering into a Services Agreement with a Service Provider.

While the Department takes care in selecting Service Providers to be on the Panel, the Department makes no representation or warranty of any kind, either express or implied, regarding the Service Provider or the quality of the services provided by a Service Provider. Participant must do their own due diligence in selecting and entering into an agreement with a Service Provider, which is at the Participant's own risk.

Applications for the FBTV program are at the cost of the applicant.

The Department makes no representation that a Voucher will be made to any applicant or in relation to any number of available Vouchers and reserves the right to make no Vouchers available under the FBTV program.

Step-by-Step Application Guide

Before Applying

Step 1

The Applicant confirms their eligibility for the program.

Step 2

The Applicant identifies and engages with a Registered Service Provider and requests a 'Scope of Services' including a quote.

How to Apply

Step 3

The Applicant submits an online application at www.business.vic.gov.au with an attached 'Scope of Services'. The application form must be completed by the Applicant's authorised officer (i.e. an appropriate financial delegate to approve external service agreements and payments).

Step 4

The Department will confirm eligibility, conduct due diligence, assess the Scope of Services to ensure it meets the program's requirements and is reflective of the required engagement.

Eligible Applicants

Step 5

A Letter of Offer is sent to the eligible Participant requesting a signed Service Agreement between the Service Provider and Participant [refer to Section 14 b) Service Agreement].

Step 6

The Participant accepts the offer in writing.

Note: The Participant or Service Provider can send the acceptance of the offer and a Service Agreement signed by both the Service Provider and the Participant to the Department.

Step 7

The Department reviews the Service Agreement for compliance with the minimum requirements described in the Guidelines and the status of registration of the Service Provider and, if satisfied, issues the Voucher in the name of the Participant and Service Provider.

Step 8

Services must commence within three months of issuing the Voucher. Services must be completed within six months of Voucher issue.

Payment

Step 9

The Voucher is paid on evidence of project completion.

The Registered Service Provider must submit the following documents for payment:

- an invoice (issued to the Department to the value of the Voucher);
- the Voucher document signed by the Participant and Registered Service Provider;
- statutory Declaration signed by the Participant that states the services were completed; and
- a final report to the satisfaction of the Department and / or any additional documents, photos, or other evidence as the Department may reasonably require, which may include attending a completion meeting.

Evaluation Reporting

Step 10

Participant and Registered Service Providers will be required to participate in program evaluation activities.

