

ActiveKIT (Knowledge | Innovation | Technology)

Guidelines

22 March 2021



Contents

1.0 What is ActiveKIT (Knowledge Innovation Technology)	4
2.0 Objectives	4
3.0 Challenges	5
4.0 Funding	7
5.0 Eligible organisations	7
6.0 Eligible costs	8
7.0 What will not be funded (ineligible items)	9
8.0 What is the application process?	9
9.0 How will the applications be assessed?	10
10.0 Approval process	12
11.0 Appeals process (review of application and/or assessment outcome)	13
12.0 Payment arrangements	13
13.0 GST application	13
14.0 Reporting, Acquittal and Audit requirements	14
Appendix 1 - Definitions	15

Updates to the guidelines (as at 22 March 2021)

The following changes have been made to the guidelines since publication on 17 March 2021:

- **5.0 Eligible organisations - Who cannot apply?**
 - removal: startups / SMEs that are a subsidiary of a group of companies that has more than 50 full-time-equivalent employees in total;
 - update: startups / SMEs with less than five and more than 50 full-time-equivalent employees.



The department will provide and pay for qualified interpreting services for customers who are hearing impaired or have difficulties communicating in English. Please [contact the department](#).

1.0 What is ActiveKIT (Knowledge | Innovation | Technology)

Activate! Queensland 2019 – 2029 (Activate! Queensland) is the Queensland Government's 10-year physical activity strategy to further enrich the Queensland way of life and build on our strong community foundations to deliver better health and well-being outcomes for all Queenslanders.

Through *Activate! Queensland*, the Queensland Government is committed to supporting opportunities that encourage lifelong movement and break down the barriers that prevent Queenslanders from achieving a sufficient level of physical activity. The Queensland Government is also committed to strengthening the overall capabilities of the Active Industry to deliver state-wide physical activity opportunities. In turn this will support more Queenslanders to be healthy and promote better connected communities.

The ActiveKIT initiative is a call to action to 'shift the dial' on investment in the Active Industry sector to drive physical activity participation in Queensland. ActiveKIT aims to encourage better utilisation of *Knowledge*, harnessing *Innovation* and leveraging *Technology* to enable more Queenslanders to be physically active more often, and to strengthen the capability of organisations in the Active Industry to provide products and services that get Queenslanders moving.

Total funding of \$4.34 million (GST exclusive) is available through the ActiveKIT initiative.

The Department of Tourism, Innovation and Sport is working in collaboration with Health and Wellbeing Queensland on this initiative, with co-investment across agencies. Health and Wellbeing Queensland is contributing funding to solutions in Challenge 1.

2.0 Objectives

The objective of ActiveKIT is to support innovative solutions within the Active Industry to increase physical activity opportunities for target cohorts and contribute to the Industry's capability and resilience.

Through ActiveKIT, the Queensland Government (Department of Tourism, Innovation and Sport) will support organisations within the Active Industry, including startups or small to medium enterprises, to trial and implement new and innovative products or services that respond to two key challenges:

- Challenge 1: Increase physical activity participation of Queenslanders who are insufficiently active; or
- Challenge 2: Strengthen the capability of organisations within the Active Industry including financial health and workforce capability.

Key definitions relevant for ActiveKIT are outlined in [Appendix 1](#).

3.0 Challenges

Challenge 1: Increase physical activity participation of Queenslanders who are insufficiently active.

How can we leverage innovation to provide targeted services and offerings that encourage or enable Queenslanders who are insufficiently active to be more physically active, more often?

We know that some Queenslanders love being physically active and taking advantage of our wonderful environment to get out and get active. However, participation levels in physical activity tends to vary based on:

- age and health factors
- ability
- socio-economic factors
- time availability
- parenting commitments.

Target cohorts identified for Challenge 1 and the associated barriers to participation are:

Children and young people aged 16-17 years	<ul style="list-style-type: none"> •Lack of time/too many commitments •Not interested/don't like physical activity/exercise/sport •Lack of motivation
45 – 64 years (men and women)	<ul style="list-style-type: none"> •Lack of time •Poor health/injury •Work commitments
Seniors (65+)	<ul style="list-style-type: none"> •Poor health/injury •Wrong age (too young/old) •Lack of time
Women and girls (all age groups)	<ul style="list-style-type: none"> •Lack of motivation •Lack of time •Knowing how to change old habits and start something new •Cost/affordability
Adults experiencing socio-economic disadvantage	<ul style="list-style-type: none"> •Lack of time •Poor health/injury •Cost/affordability •Lack of motivation

Sources: The Health of Queenslanders 2020 – Report of the Chief Health Officer Queensland; Participation trends in Australia, Ausplay 2020; Department of Tourism, Innovation and Sport (Sport and Recreation), Queensland Sport, Exercise and Recreation Survey (Adult)(QSERSA) 2015,2016,2018; Department of Tourism, Innovation and Sport (Sport and Recreation), Queensland Sport, Exercise and Recreation Survey - Children (QSERSC) 2019; Health and Wellbeing Queensland, Queensland Women in 2020 Research Findings.

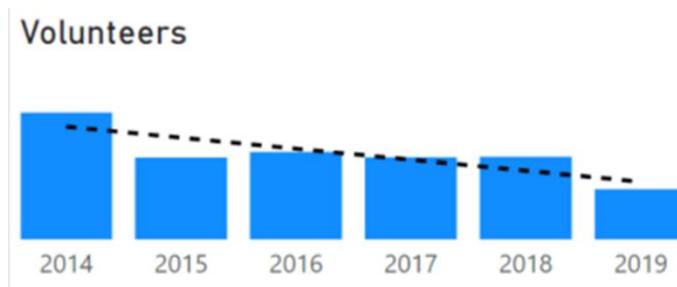
Challenge 2: Strengthen the capability of organisations within the Active Industry including financial health and workforce capability.

What innovations can be implemented to reduce operating costs, increase revenue, or find efficiencies to reduce volunteer burden for the Active Industry?

Queensland's Active Industry is facing various financial and workforce challenges at all levels from grassroots to professional and elite sports, including:

- declining revenue streams
- continuing and increasing expenditure
- increased costs due to COVID-19 restrictions and adaptability, for example cost to resume activities and meet hygiene cleaning requirements
- declining workforce retention (paid staff and volunteers).

Source: Department of Tourism, Innovation and Sport, Community Sport and Recreation Survey report 2020.



Source: Department of Tourism, Innovation and Sport, State Development Program Participation Data (self-reported from Sport and Recreation State Level Organisations where data provided)

Implementing innovative solutions can contribute to addressing these challenges. For example, digital and automation strategies may help to improve workforce engagement (paid and volunteer) and help to alleviate administrative burden on clubs, leading to increased attraction and retention. Innovative solutions can also help to improve operational efficiencies that lead to reduced operating costs, or to access new commercialisation opportunities that increase or diversify revenue streams. A shift in thinking presents opportunities to achieve a thriving and resilient active industry, capable of appropriately responding to a changing environment.

4.0 Funding

Eligible organisations can submit **one application only** under either Tier 1 or Tier 2, **but not both**.

Tier	Funding available (GST exclusive)	Organisation contribution
Tier 1	Up to \$100 000	A cash co-contribution is required from the applicant that is at least 20% of the funding requested (eg. \$100,000 funding requested requires a \$20,000 co-contribution).
Tier 2	\$100 001 to \$200 000	A cash co-contribution is required from the applicant that is at least 50% of the funding requested (eg. \$200,000 funding requested requires a \$100, 000 co-contribution).

Organisation contribution

Evidence of the ability to meet the required cash contribution must be in the form of a letter, no more than three months old from a suitably qualified independent party. Suitably qualified is someone who is a member of:

- the Institute of *Chartered* Accountants; or
- CPA Australia; or
- the Institute of Public Accountants with a Professional Practice Certificate.

Key dates

Date	Activity
22 March 2021	Applications open
19 April 2021	Applications close 5pm (AEST)
1 June 2021	Program period commences*
30 June 2022	Program period complete
31 July 2022	Outcomes report and final acquittal

*Note - approved projects cannot commence until a funding agreement has been entered into with the Department.

5.0 Eligible organisations

Who can apply?

Organisations eligible for funding (refer to Appendix 1 for definitions) must be:

- registered with an [ABN](#); and
- based or headquartered in Queensland (unless a national sporting organisation funded by the department); and
- one of the following organisation types:
 - active industry state level organisations or peak organisations incorporated under the:
 - *Associations Incorporation Act 1981 (Qld)*
 - *Corporations Act 2001 (Cwlth)*
 - *Co-operatives National Law Act 2020 (Qld)*; or
 - *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cwlth)*; or

- a national sporting organisation operating in Queensland under a governance model recognised by the Australian Sports Commission (ASC); or
- Queensland based not-for-profit organisation providing state-wide services; or
- local governments constituted under the:
 - *Local Government Act 2009 (Qld)*
 - *City of Brisbane Act 2010 (Qld)*
 - *Commonwealth Aluminium Corporation Pty Ltd Agreement Act 1957 (Qld)*; or
- tertiary or research institutions; or
- startups or Small to Medium Enterprises (SME):
 - with a minimum of five full-time equivalent employees and no more than 50 full-time equivalent employees; and
 - Have been registered with the Australian Securities and Investments Commission (ASIC) prior to 1 March 2019.

At the time of the application close, organisations must **not have**:

- outstanding compliance issues with Office of Fair Trading (if applicable); or
- any debt owing to the department (if applicable).

Before applying for this program, contact the [Office of Fair Trading](#) (if applicable) or telephone 13QGOV (13 74 68) or your nearest [Sport and Recreation office](#) to determine whether the organisation has any outstanding compliance issues.

The department may carry out due diligence on organisations or projects to determine suitability for funding.

Who cannot apply?

Examples of who is NOT eligible to apply are:

- individuals
- local and regional active industry organisations
- national-level sporting organisations when there is a state-level organisation in Queensland
- Federal and State Government Departments
- TAFE colleges
- schools and Parents and Citizens Associations
- startups / SMEs with less than five and more than 50 full-time-equivalent employees
- organisations who have received funding for the same initiative or solution either from Local*, State or Federal Government.

* Does not apply to Local Government co-contributions where a Local Government is the applicant.

6.0 Eligible costs

Eligible costs for ActiveKIT projects:

- delivery of innovative, unique and new products or solutions to address the outlined Challenges including (but not limited to):
 - solutions to attract participants from target cohorts in physical activity
 - system improvements to enhance organisational performance and financial health
 - new technology that modernises operations or activity delivery
- salaries of project staff (including salary-related on-costs)
- services provided by external parties
- consumables and equipment
- domestic travel and accommodation

- items / services which can be reasonably attributed to the project.

It is expected that all ActiveKIT funding will be expended in Queensland, unless it can be demonstrated that expenditure outside Queensland is essential to ensure successful delivery of the project. Project costs must be deemed appropriate for the project and reasonable in nature by the Department.

7.0 What will not be funded (ineligible items)

- Food and Drug Administration (FDA), Therapeutic Goods Agency (TGA) or other regulatory approval costs
- capital works, expenditure and/or physical infrastructure including any buildings, telecommunications and IT networks
- employee allowances, bonuses and fringe benefits
- international air travel
- domestic air travel other than economy class
- conference fees
- entertainment costs
- feasibility studies / research
- ongoing compliance fees and licences
- inventory and warehousing costs
- costs associated with securing (grant writers) and/or managing the grant funding
- business as usual or general operational activities and associated expenses
- concept development and idea generation
- distribution other than to send samples for market / customer acceptance testing
- distribution, purchase or import of existing products or technologies without significant adaptation
- costs incurred prior to entering into a funding agreement.

8.0 What is the application process?

Applications must be submitted using the online application form **by 5.00pm** (AEST) on Monday, 19 April 2021. If you experience technical difficulties during the application process, please email at support-srs@enquire.net.au or call Tactiv on +61 7 3106 8690.

In order to apply for funding under this program, the organisation must be registered in the Sport and Recreation [Grant Registration Portal](#) (GRP). GRP registrations should be completed as early as possibly prior to submitting an application.

Please note that the online applicant portal is **not compatible with mobile devices**. If further assistance is required to complete the online GRP registration, email SRSGRPPortal@dtis.qld.gov.au or call +61 7 3106 8690.

Bank account

Bank details and an EFT form will be requested as part of the application process to assist with payment processing for successful projects. It is the organisation's responsibility to ensure the bank account name on the supporting documentation details being provided with the application matches the organisation's legal name (refer to the [Office of Fair Trading Certificate of Incorporation](#) or [Australian Business Register](#)). Any errors will need to be rectified within seven business days from being contacted by the department.

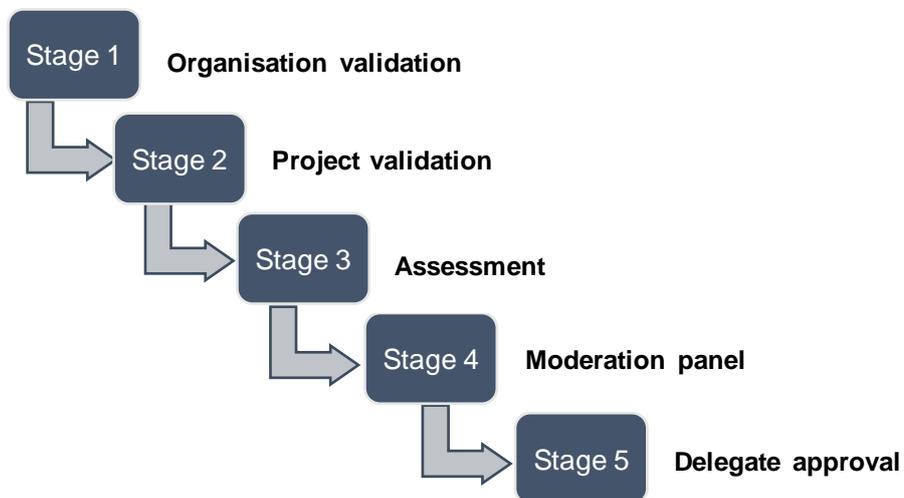
Bank statements must be recent, that is within the three months prior to application. A transaction screenshot or internet banking print-out will not be accepted. The department can, however, accept a print-out or letter which has been bank stamped and verified by the bank – see example below - this must match the Australian Business Register printout regarding the legal Organisation's name.

A copy of the organisation's actual bank statement must be uploaded, which provides BSB, Account Number and Account Name of organisation.



9.0 How will the applications be assessed?

Stages of assessment



Applications will be validated by the department against the program eligibility criteria through Stages 1, 2 and 3 for consideration by the Moderation Panel.

Assessment criteria

The project must address one of the two outlined Challenges. Assessment of projects will be based on the following criteria.

1. *Alignment to Challenge and market understanding*

The application should demonstrate the:

- extent to which it clearly responds to one of the Challenges and the measurable outcomes the project is seeking to achieve (outlined in section 3.0)
- significant understanding of the end user
- need for the product or service has been explored with evidence of stakeholder, end user or customer engagement
- product or service responds to a gap in the market
- product or service is scalable and has potential to be adopted within Active Industry.

2. *Innovation*

The application should demonstrate:

- how the product or service is clearly innovative, unique and new
- sound understanding of what differentiates your product or service from similar products or services already in the market
- the applicant organisation, where applicable:
 - owns, or has been assigned irrevocable, perpetual rights to any intellectual property necessary to commercialise the product or service.
 - have appropriate measures in place to protect any intellectual property relating to the product or service.

3. *Market readiness*

The application should demonstrate that at the time of application the product or service:

- is at, or beyond, minimum viable product stage (MVP) (i.e. beyond initial proof of concept / prototype)
- has been tested and validated amongst potential customers.

4. *Project viability*

The application should demonstrate that the:

- project is well planned and achievable with key activities, outcomes, expenditure and timeframes identified
- key project risks have been identified and risk mitigation strategies are in place.

5. *Organisational capability and viability*

The application should demonstrate that the organisation:

- has access to technical (if applicable) and management skills and experience to successfully deliver the project
- has the level of readiness and ability to deliver the project in the required timeframes
- is financially viable
- will provide current financial statements consisting of a Profit and Loss statement and a Balance Sheet for the last two financial years of 2018/19 and 2019/20. Where the organisation has audited financial statements, these should be provided with the auditor's report
- may be contacted at any stage of the assessment process to clarify any information provided in the application and/or to request further information to enable a due diligence and probity assessment (if relevant).

Moderation Panel process

The Moderation Panel will be responsible for recommendations for the distribution of funding. The Moderation Panel will undertake a prioritisation of applications, particularly to inform where there is an over subscription of funding requested. This will include consideration of:

- distribution across Challenges
- distribution across activities
- scalability of the product or service
- established organisations within the Active Industry.

10.0 Approval process

The Moderation Panel will make recommendations to the department's delegate on the outcome of the assessment process.

Applicants will receive written notification on the outcome of their application.

Approved applicants will be required to enter into a funding agreement with the Queensland Government. The provision of funding is subject to execution of a funding agreement to be provided by the department.

Departmental considerations

Submitting an application does not guarantee that the application will be approved. The department reserves the right (at the department's sole discretion) to refuse an application, not assess an application or not approve funding, for any reason, irrespective of whether the eligibility and assessment criteria have been met. The department's decision in relation to an application or the process is final.

The department reserves the right, at any time, whether before or after, the closing dates for each category of funding, to:

- cancel or vary the assessment process
- close early, suspend, stop or extend the operation of the program or the application process
- amend dates including extending the closing date
- vary the program, including the proposed terms and conditions or funding and/or these guidelines
- consider or reject an application received after the closing date and time
- consider an application submitted other than in accordance with the requirements of the application process, including accepting a non-conforming or incomplete application
- determine whether a project meets the eligibility criteria, project requirements and other requirements set out in these guidelines and should be deemed ineligible
- change the allocation of funding available under the Program, the eligibility criteria or the types of projects that will be considered.

Any action taken to close early, suspend, stop or extend the program will be notified on the program website.

The department may, at its discretion, request information or documents (included but not limited to audited financials) from an organisation or any other person in order to consider and/or verify the accuracy of an application.

The department will retain all documents submitted and will not return these to the organisation. The organisation must ensure that its officers, employees, agents and/or sub-contractors do not make any public announcement or advertisement in any medium in relation to the process or the program without the prior written consent of the department.

Organisations accept the risk, responsibility and liability connected with submitting an application and will not make any claim in connection with a decision by the department to exercise or not to exercise any of its rights in relation to the application process.

The application and participation in the application process does not constitute an offer or an invitation to make an offer under the application process. It also does not indicate an intention by the department to enter into any form of legal relations with any party. The acceptance of an application or any invitation to negotiate will not be effective to constitute a contract or to create any legitimate expectation on an organisation's part unless and until a formal written funding agreement is entered into (as per the process set out in the funding terms and conditions). Nothing in this application process amounts to any process contract and in making the application available and conducting this application process, the department expressly excludes any process contract arising.

11.0 Appeals process (review of application and/or assessment outcome)

Sport and Recreation staff can provide an applicant that has not been approved, with an initial explanation of the rationale for the decision.

If an applicant is not satisfied with a decision, such as an application not being approved for funding, the grant applicant can request a review of the decision. The request is required in writing. An appeal can be requested where the applicant believes the decision does not adhere to the program guidelines and/or the department process of the application.

The appeals process does not include applicants challenging the program guidelines or seeking variations or exceptions to the program guidelines.

Appeals will only be considered if received by the department within one month from the date of the applicant's receipt of written notification from the department on the outcome of the organisation's application.

12.0 Payment arrangements

Approved funding payments will be processed as follows:

Tier 1	Tier 2
<ul style="list-style-type: none"> One-off payment of the total approved funding amount once the successful organisation has been notified and a funding agreement is in place 	<ul style="list-style-type: none"> An initial payment of 90% of the approved funding amount once the successful organisation has been notified and a funding agreement is in place A final payment of 10% of the approved funding amount upon completion of the outcomes report and final acquittal.

13.0 GST application

GST is a broad-based tax of 10 per cent on the sale of most goods and services purchased in Australia.

Organisations with current or projected annual turnover for all revenue activities of \$150,000 or more (including this project), must be registered for GST. Compliance with the legislation is a requirement of Federal taxation legislation. For more information, refer to the [Australian Taxation Office website](#) or telephone 13 24 78.

The grant funding amounts referenced in this guideline are GST exclusive.

Organisations that are registered for Goods and Services Tax (GST) will be paid a GST component in addition to the approved funding and will be issued with a Recipient Created Tax Invoice (RCTI) for the funding payment.

Organisations that are not registered for GST can receive funding up to the maximum funding amount with no additional GST component, and the department will issue a remittance advice. Organisations not registered for GST need to be aware funding received will need to cover any GST payable. Any shortfall between the funding provided and the GST inclusive project cost will need to be met by the funding recipient.

14.0 Reporting, Acquittal and Audit requirements

Approved organisations will need to acquit the funding spent to the department. All organisations funded will be required to keep accurate records of expenditure (including invoices or receipts) and provide evidence in the acquittal form supplied to support the delivery of the approved project for the required legislative period. These records are to be made available to the department should the organisation be selected for an audit.

Approved organisations must complete reporting on financial and project activities and outcomes throughout and upon completion of the project.

Approved organisations may be subject to an audit from the department. The department will undertake a random audit of approved projects to ensure that projects are delivered as approved.

The Queensland Government must be appropriately [acknowledged](#) by approved organisations in any promotion of the approved project.

For more information call 13QGOV (13 74 68) or email SportRecPartnership@dtis.qld.gov.au.

Appendix 1 - Definitions

For the purpose of the ActiveKIT program, the following definitions apply:

Active industry

Refers to the industry that delivers, enables or supports physical activity requiring physical exertion to be undertaken or engaged for the primary purpose of sport, fitness and active recreation participation, and includes but is not limited the following segments:

- **Sport:** A human activity involving physical exertion and skill as the primary focus of the activity, with elements of competition where rules and patterns of behaviour governing the activity exist formally through organisations and is generally recognised as a sport.
- **Fitness:** the sector supplying fitness services, including but not limited to consumers, exercise professionals and fitness businesses
- **Active Recreation:** including activities engaged in for the purpose of relaxation, health and wellbeing or enjoyment with the primary activity requiring physical exertion, and the primary focus on human activity

Concept / idea development

Concept and idea development takes place in the early stage of new product development. Once an idea is generated and that idea is screened for its quality, then the concept development stage follows. ActiveKIT does not fund this stage of innovation.

Innovation

Implementing new ideas, working in a new or different way, developing unique partnerships, creating dynamic products or improving existing services. Being innovative does not mean inventing; innovation can mean changing how you've done things in the past, adapting to changes in your environment and responding to the needs of your community.

Insufficiently active

Queenslanders who do not meet the recommended minimum of Australia's Physical Activity and Sedentary Behaviour Guidelines (for their life stage) on most days of the week.

Market readiness

The process of being able to take a product or service to the market and obtaining paying customers.

The product or service must have achieved minimum viable product (MVP) status prior to application.

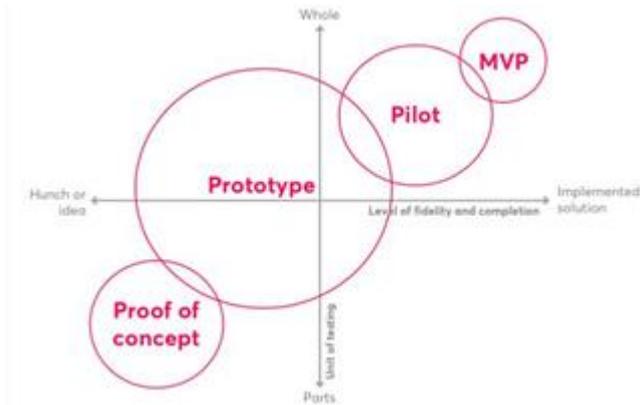
Activities that occurred prior to bringing the innovation to MVP stage are not considered to be activities for the purpose of the ActiveKIT fund.

Applications should set out a clear plan for taking the innovation to the market or a new market and increasing customer up-take. It should clearly demonstrate that the plan is achievable within the project timeframe.

Minimum viable product (MVP)

Minimum viable product is a product or service that is beyond initial proof of concept/prototype stage and has been tested with potential customers.

The diagram below may help you to determine what stage of development your product or service is at in relation to achieving MVP.



Source: <https://www.nesta.org.uk/blog/proof-of-concept-prototype-pilot-mvp-whats-in-a-name/>

Target cohorts

A cohort is a group of people who have similar experiences which have an impact on the values, priorities, and goals that may guide their lives.