

VICTORIAN FORESTRY PLAN

# Forestry Business Transition Voucher Program

## Round Two

APPLICATION GUIDELINES  
OCTOBER 2022

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## 1. Background

The Victorian Forestry Plan is the Victorian Government's plan to maintain as many regional jobs as possible as the industry transitions away from native timber harvesting.

The plan includes more than \$200 million in support to assist affected workers, businesses and communities through the transition.

## 2. Forestry Business Transition Voucher (FBTV-2) program

The Forestry Business Transition Voucher – Round Two (FBTV-2) program aims to assist businesses directly impacted by the Victorian Forestry Plan to plan for their future by better understanding their capabilities, options and strategies for transition.

A voucher worth up to \$25,000 (exclusive of GST) is available for an eligible business to engage a business services provider to undertake a business diagnostic and/or develop a business transition plan.

The program is administered by the Department of Jobs, Precincts and Regions (the Department).

## 3. Registered Service Providers

The eligible business will be able to engage a service provider from a panel of Registered Service Providers (Panel) who has been assessed by the Department as having an appropriate level of professional experience and knowledge to support business transition.

Program participants (Participants) can choose a provider from this Panel or can request to use a business service provider that is not on the Panel. In this case the applicant's preferred business service provider will be required to be assessed by the Department against the Panel criteria on their ability to undertake the required service.

## 4. Assistance available

Registered Service Providers will be funded to provide the following support services to Participants (Services):

- Preparation of a business diagnostic – an initial check of the business' situation to help identify future opportunities and next steps.
- Development of a business transition plan – developed by the Registered Service Provider and the Participant, this plan will provide a more in-depth identification of business diversification opportunities. The business transition plan will identify the strategies and capabilities the business needs in order to transition successfully to new opportunities in forestry or other industries.

## 5. Funding

Under voucher-type programs, the funding is paid to the Registered Service Provider once the Services have been provided to the satisfaction of both the Participant and the Department.

FBTV-2<sup>1</sup> are capped at a maximum value of \$25,000 (exclusive of GST). If the total project cost exceeds the \$25,000 provided by the Department, Participants will be required to meet the additional costs<sup>2</sup>.

If the total project cost is less than \$25,000 (exclusive of GST), the Participant will not need to make a cash co-contribution.

Program Participants will not receive a financial reimbursement for their or their employee's time and should discuss the time commitment with the appointed Registered Service Provider.

The Department reserves the right to determine the value of the Services being provided by the Registered Service Provider. This value may be less than the amount requested by the Participant.

1 A voucher can be used by an eligible business to access services, advice or expertise provided by a Registered Service Provider. A voucher is issued in the name of the applicant company (the FBTV Participant), has no cash value and is non-transferable, and is only payable to the selected Registered Service Provider. Except where otherwise stated, payment up to the face value of the voucher (exclusive of GST) is made by the Department to the Registered Service Provider upon satisfactory completion of the project.

2 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.

## 6. Application process

### Step 1: Department invitation

The Department will invite native timber industry businesses which did not participate in Round 1 of the program to participate in the FBTV-2 program.

Businesses which believe they meet the eligibility criteria but did not receive an invitation to apply are encouraged to contact the Economic Recovery and Business Transition Support Officer on 1800 318 182 or email [victorianforestryplan@djpr.vic.gov.au](mailto:victorianforestryplan@djpr.vic.gov.au) to discuss their eligibility. See also Section 8 Eligibility – Program Participant.

### Step 2: Engagement of a Registered Service Provider and Scope of Services

Prior to applying for a voucher, eligible businesses must first engage with a Registered Service Provider to agree on the services, their timing and cost, and prepare a 'Scope of Services'<sup>3</sup>.

### Step 3: Prepare an application

When applying for a voucher, a detailed 'Scope of Services' and the front page of the applicant's current VicForests agreement or licence, including the expiry date, must be included in the application.

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

### Step 4: Application assessment

Once the application is received, the Department will confirm the applicant's eligibility, conduct due diligence and assess the Scope of Services to ensure it meets the FBTV-2 program's requirements and reflects the required service delivery. The Department reserves the right to refuse a service delivery and will work with the applicant to assist to resolve any concerns the Department may have, including the service delivery of an alternative service provider, if necessary.

Access to the application form can be found on the FBTV-2 program website ([business.vic.gov.au](https://business.vic.gov.au)).

## 7. Important dates

Applications to the FBTV-2 program open on **25 October 2022** and close on **31 May 2023**.

As the Victorian State election will be held on Saturday 26 November 2022, the Victorian Government will assume a caretaker role from 6.00pm on 1 November 2022 until such time that either it becomes clear that the incumbent government will be returned, or when a new government is commissioned.

In line with the caretaker conventions, the incoming government will determine whether to proceed with this voucher process and award the voucher after the caretaker period.

Applicants should be aware that:

- all information about this voucher process represents the position of the current government only, and is subject to change; and
- the incoming government may decide not to proceed with this voucher program.

<sup>3</sup> 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, timing and a summary of key activities to be undertaken that may include but not be limited to: Executive Summary, Key Functional Area's assessment (operations, finance and administration, marketing and human resources), SWOT Analysis, Participant consultation and engagement.

## 8. Eligibility – FBTV-2 Program Participant

To be eligible for the FBTV-2 program, Participants must be businesses that, at the date that a voucher application is submitted, either:

- hold a current VicForests Timber Sale Agreement; or
- hold a current Forest Produce Licence issued by VicForests; or
- are a timber harvest and/or haulage business with a current agreement to provide those services to VicForests; or
- are a harvest and/or haulage sub-contracting business providing those services to a harvest and/or haulage business with a current agreement with VicForests, with at least 70 per cent of its annual financial year 2020-21 revenue derived from VicForests contracted businesses<sup>4</sup>
- are a seed collector providing seed collection services to VicForests with at least 70 per cent of its annual financial year 2020-21 revenue derived from services provided to VicForests<sup>5</sup>.

In addition, businesses must also meet all the following criteria to be eligible for assistance under the FBTV-2 program:

- hold a current 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).

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.

An individual Partner 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.

Businesses participating in the **Victorian Forestry Plan Opt-out Scheme** are eligible to submit a voucher application through the FBTV-2 program.

The following organisations are not eligible to participate in the FBTV-2 program:

- a business that has previously been approved for funding under FBTV Round One
- Commonwealth, State and Local government agencies and bodies
- publicly funded research institutions
- not-for-profit organisations.

<sup>4</sup> Applicants may be required to provide evidence that confirms their revenue sources.

<sup>5</sup> Applicants may be required to provide evidence that confirms their revenue sources.

## 9. Eligibility and assessment – Registered Service Provider

To be a Registered Service Provider for the FBTV-2 program, a financial services business is required to demonstrate to the Department's satisfaction that they:

- a) have a trading history of at least two years<sup>6</sup>;
- b) are financially viable<sup>7</sup>;
- c) are based in or have an operating presence in Victoria;
- d) have evidence of professional indemnity insurance cover of \$5 million per claim or any occurrence giving rise to a claim in any 12-month policy period;
- e) have evidence of public liability insurance cover of \$10 million per claim or any occurrence giving rise to a claim in any 12-month policy period;
- f) currently supply the professional services and where applicable demonstrate industry-specific knowledge;
- g) commit to undertake their role in accordance with these Guidelines and the Agreement entered with the Department; and
- h) 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 association (including business associations); and
    - holds a current Australian Business Number (ABN)
    - is registered for GST or can provide written advice from the Australian Tax Office that no withholding tax is required from the voucher payment.
  - iii. Sole Traders are not eligible.

Registered Service Providers are selected based on their eligibility to be involved in the program as set out above, and against the following selection criteria:

- a) proven experience in undertaking external shock impact Business Diagnostics;
- b) demonstrated understanding of forestry businesses and the Victorian timber 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 carrying out its obligations and duties, completing the agreed Services to the reasonable satisfaction of Eligible Businesses and the Department in accordance with the requirements specified in the Deed of Standing Offer and with respect to the provision of any Services under any voucher issued by the Department;
- b) committed to servicing projects in a proper, timely and efficient manner as agreed with the business, including the negotiation and agreement of terms concerning intellectual property rights;
- c) ensure the highest quality of work and the delivery of the Services with the utmost efficiency.

A decision to register a service provider under the FBTV-2 program is at the Department's sole discretion. Registered Service Providers may not subcontract the Services under a voucher without the written approval of the Participant and the State.

Registered Service Providers will be listed on the FBTV-2 program webpage at [djpr.vic.gov.au](http://djpr.vic.gov.au).

<sup>6</sup> The Department reserves the right to waive this requirement at its discretion on a case-by-case basis.

<sup>7</sup> Potential service providers may be required to submit financial accounts for the previous two (2) Financial Years, plus, interim accounts if the financial accounts are over six months old.

## 10. Participant and Service Provider relationship

A constructive working relationship between the Participant and the Registered Service Provider is important for the successful completion of a business diagnostic and/or business transition plan.

The Participant must agree to the final documented business diagnostic and/or business transition plan before the Registered Service provider can redeem the voucher for payment.

Participants and Registered Service Providers must be entirely unrelated entities.

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

Applicants to the FBTV-2 program are required to declare all 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.

It is an expectation of the Department that the Participant and Registered Service Provider will meet regularly during the development of the business diagnostic and/or business transition plan.

## 11. Eligible project activities

Funding under the FBTV-2 program is for the purpose of the preparation of a business diagnostic and, if requested, the development of a business transition plan.

## 12. Ineligible project activities

The following will not be funded under the FBTV-2:

- a) capital expenditure
- b) internal costs, salaries, worker entitlements or resources of the applicant
- c) equipment, 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-2 program.

No funding will be provided if the project commences prior to receiving a Letter of Offer from the Department approving eligibility to participate in the FBTV-2 program.



## 13. Funding conditions

### a) Voucher conditions

Following the Department's assessment of an applicant's application, the Department will write to eligible Participants with a Letter of Offer confirming the outcomes of the application. This offer remains valid for a period of 30 days from the date of the Letter of Offer.

Once the Department has received the acceptance of the Letter of Offer signed by the Participant and a copy of the Service Agreement signed by both the Registered Service Provider and the Participant, a voucher will be issued to the Participant and the Registered Service provider will receive a copy.

### b) Duration of projects

The business diagnostic and/or the business transition plan are to commence within three months and be completed within nine months of the date of voucher issue. No project timeframe extensions will be granted beyond the 9-month delivery timeframe. 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 for Services delivered 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 Registered 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 Registered Service Provider specifying the actual services provided to the Participant up to the value of the voucher;
- the Voucher signed by both the applicant and the Registered 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 to the satisfaction of the Department (the Department can request rework if the final report does not meet the satisfaction of the Department), and/or any additional documents, photos 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 Registered Service Provider that states that the project has been completed and that the Service Provider has received the Participant's co-contribution for the costs exceeding the cap; and
- the Department is satisfied that the Services have been completed in accordance with the Registered Service Provider's agreement with the Department.

## 14. Terms and conditions

The Department reserves the right to make changes to these Guidelines in its sole discretion.

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:

- i. committing to providing services at competitive market rates;
- ii. committing to undertake their role and responsibilities in accordance with these Guidelines;
- iii. guaranteeing that they are not currently involved in litigation and that they will advise the Department if these circumstances change; and
- iv. 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 on the Service Provider's terms and conditions. The Department is not a party to the Service Agreement. By participating in the FBTV-2 program, the Participant acknowledges that it has sought its own professional advice and accepts all risk associated with contracting with the Service Provider as it would in the normal course of doing business.

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

- i. a description of the services to be provided (Statement of Works);
- ii. total fees for the services;
- iii. an outline of any required intellectual property arrangements and
- iv. 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 Registered Service Provider, or a Registered Service Provider's services or obligations under any agreement between a Participant and a Registered Service Provider.**

### c) Removal from Registered Service Provider Panel:

- i. The Department reserves the right to remove any Registered Service Provider from the Panel at its absolute discretion; and
- ii. A Registered Service Provider may request to be removed from the Panel at any stage. The Registered 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. It is a condition of participating in the FBTV program that if requested, the Participants and/or Registered Service Providers are 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 may be publicly listed in Departmental annual reports and on program websites.

**f) Privacy and confidentiality**

Any personal information about the applicant or a third party in the application will be collected by the Department for the purpose of grant administration.

If personal information about third parties is included in the application, the applicant must ensure that those third parties are aware of the contents of this privacy statement and the contents of the Department of Jobs, Precincts and Regions Privacy Policy available from the Privacy Officer (details below).

Any personal information about the applicant or a third party in correspondence will be collected, held, managed, used, disclosed or transferred in accordance with the provisions of the *Privacy and Data Protection Act 2014* (Vic), *Health Records Act 2001* (Vic) and other applicable laws.

In order to seek documents held by the department you may submit an FOI request under the *Freedom of Information Act 1982* to the FOI Manager, Department of Jobs Precincts and Regions.

The Department is committed to protecting the privacy of personal information. The Department's privacy policy is available from:

**Privacy Officer**

Department of Jobs, Precincts and Regions,  
GPO Box 2392, Melbourne, VIC 3001, AUS

Email: [privacy@ecodev.vic.gov.au](mailto:privacy@ecodev.vic.gov.au)

Enquiries about access to information about you held by the Department should be directed to:

**Freedom of Information Manager**

Department of Jobs, Precincts and Regions,  
GPO Box 2392, Melbourne, VIC 3001, AUS

Email: [foi@ecodev.vic.gov.au](mailto:foi@ecodev.vic.gov.au)

**g) Contacts and further information**

If you require further information about this program visit [vic.gov.au/forestry](https://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 representatives from the Victorian Forestry Plan, 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 Registered Service Provider.

While the Department takes care in selecting Registered 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. Participants 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. By participating in this program you acknowledge you have read the above information and understand any issue with services provided is to be directed to the Registered Service Provider.

Applications for the FBTV-2 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-2 program.

### Step-by-step application guide

#### Before applying

##### Step 1

The applicant confirms their eligibility for the program.

##### Step 2

Discuss the program with your Victorian Forestry Plan representative.

##### Step 3

The applicant identifies and engages with a Registered Service Provider and requests a 'Scope of Services'.

#### How to apply

##### Step 4

The applicant submits an online application at [business.vic.gov.au](https://business.vic.gov.au) with an attached 'Scope of Services' and the front page of the applicant's current VicForests agreement and expiry date. 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 5

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

#### Eligible applicants

##### Step 6

The Department sends a Letter of Offer to the eligible Participant requesting a signed Service Agreement between the Registered Service Provider and Participant [refer to Section 14 b) Service Agreement].

##### Step 7

The Participant accepts the offer in writing and sends the acceptance of the offer and the Service Agreement signed by both the Registered Service Provider and the Participant to the Department.

##### Step 8

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

Services must commence within three months of issuing the voucher. Services must be completed within nine months of voucher issue.

Note: The Department will not issue any project extensions past the nine month delivery timeframe.

#### Payment

##### Step 9

Payment (up to the value of the voucher) is made to the Registered Service Provider on evidence of completion.

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

- An itemised valid tax invoice (issued to the Department only for service provided up to the value of the voucher);
- The voucher signed by both the Participant and Registered Service Provider;
- A Statutory Declaration signed by the Participant that states the Services were completed in accordance with the Service Agreement with the Registered Service Provider; and
- A final business diagnostic and/or business transition plan 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. Agreement must be sort with the Department should the Participant wish to withhold any information provided in the final report.

## Step-by-step application and voucher process guide

1. Read the Program Guidelines to establish eligibility
2. Discuss the program with your Victorian Forestry Plan representative
3. Applicant identifies and engages with a Registered Service Provider and requests a 'Scope of Services'
4. Applicant completes an online application form
5. The Department will confirm eligibility, conduct due diligence and assess the 'Scope of Services'
6. Successful applicants will receive a letter of offer, valid for 30 days
7. Participant accepts the offer in writing
8. The Department reviews the Service Agreement for compliance and if satisfied issues the program voucher
9. Services must commence within three (3) months and be completed within nine (9) months of the voucher being issued  
*(Note: no time extensions will be given)*
10. Voucher is paid on evidence of project completion

## Other Victorian Forestry Plan worker, business and community support

The Victorian Forestry Plan includes a variety of assistance for affected timber businesses, workers and communities that may be available to applicants eligible for the Forestry Business Transition Voucher program.

**P: 1800 318 182**

**E: [victorianforestryplan@djpr.vic.gov.au](mailto:victorianforestryplan@djpr.vic.gov.au)**

**W: [vic.gov.au/forestry](https://vic.gov.au/forestry)**

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