

# **Freight Innovation Accelerator Cohort 3 (2024-25)**

Application Guidance

# *1. Introduction*

The Freight Innovation Fund is a 3-year programme funded by the Department for Transport (DfT) and delivered by Connected Places Catapult, focussed on accelerating the adoption of commercially ready solutions into the sector.

The programme is designed to support small and medium-sized enterprises (SMEs) to develop greener and more efficient solutions for freight. The DfT has dedicated £7m to the programme to support SMEs and fund trials through the Accelerator Programme and the Freight Innovation Cluster until March 2025.

The accelerator aims to support around 30 SMEs over 3 Cohorts by March 2025. Each successful SME can receive up to £150,000 in funding to test their solutions in real-world environments.

The programme was launched in January 2023 and 2 cohorts have been selected so far.

The third cohort of the Freight Innovation Fund Accelerator will select up to 10 SMEs. The challenges that will be addressed by our second cohort have been co-designed with our programme partners to ensure that they capture the needs and goals of the industry we serve. These challenges are:

This application guide will provide supporting information to help accelerator applicants complete and submit a high-quality application.

## *2. Eligibility*

The Freight Innovation Fund Accelerator is open to micro, small and medium-sized enterprises in existing freight supply chains as well as those looking to move into new sectors. We also welcome bids from consortiums of partners, with a lead applicant who will be the funding recipient.

Applicants must have the following.

- A registered UK company address.
- An innovative technology or solution at **Technology Readiness Level (TRL) 5 or above**.
- Demonstrable alignment to one of the challenges being addressed by this programme, or significant Innovation within the freight and logistics sector.
- A willingness to travel on occasion to face-to-face meetings and events as required by the programme.
- A willingness to complete an 8-week trial of your solution in a real or relevant environment.
- A willingness to match-fund your fees (up to £45k or 30%) with in-kind support (e.g., labour, materials).

## *Equity, Diversity & Inclusion*

The Programme celebrates Equity, Diversity, and Inclusion (EDI) not just because it is the right thing to do but because it leads to better decisions, better innovation and makes our working life more rewarding and more productive. All partners are committed to fostering EDI in our workforce, our partners, suppliers, and innovators.

We hold EDI to include the characteristics outlined in the Equality Act 2010 (Age; Sex (and Gender); Race (and Ethnicity); Disability; Religion or belief; Sexual orientation; Gender reassignment; Marriage or civil partnerships; Pregnancy and maternity), but also other historic barriers to opportunity, such as “class”, nationality, dialect, education, and other forms of socio-economic exclusion.

The Programme is committed to the following EDI principles:

- Provide a level playing field for all innovators seeking to apply to participate in the Programme.
- Drive a human-centred approach when tackling real world challenges.

- Foster an open and inclusive environment for businesses joining the Programme.
- Offer advocacy and collaboration opportunities to reduce barriers to innovation.
- Encourage a range of perspective in our shortlisting and due diligence process by selecting diverse assessment panels.

We will be running an optional anonymous survey in order to track EDI characteristics of our applicants to help us with our commitment to fostering EDI in our workforce, our partners, suppliers, and innovators.

## 3. *Application Guidance*

### *General Guidance*

- Carefully read this guidance document before preparing your application.
- You can access the application form on our open call page [here](#).
- Only the information in your application form will be assessed as well as additional attachments where requested.
- Applications must be submitted by midnight on **June 9**. Late submissions will not be considered.
- Please keep within the maximum word counts noted in each of the sections of the application form. Any content that exceeds the word count limit will be disregarded.
- In addition to the information included in the application form, further guidance on what should be included in your response to the application form question is given below. You should also refer to the assessment scoring criteria section as that will help to maximise your score.
- Please ensure you have read and understood the terms and conditions set out on the website under the 'How to Apply' section.

### *Application Questions*

#### **Section 1 – Business and Due Diligence**

In section 1 we need to determine that applicants represent businesses that are:

- Registered and operational in the UK,
- Active and currently trading and
- Committed to upholding equality and diversity practice.

We also ask for a brief company summary, which we may share with the partner organisations in the programme. Therefore, please do not disclose and sensitive or commercial information in your summary.

#### **Programme Specific Questions**

This section of the application form asks you for more detail about your solution and company.

The guidance below will give you more details regarding specific questions within this section.

**Technology Readiness Level** - It is helpful for us to see where your technology currently sits in its development. This will allow us to determine the level of support you may need to bring it to market and whether it is a good fit for this programme. **This programme is aimed at companies with TRL 5-6.**

**Solution** - Tell us all about your solution in this section, in layman's terms. What is it, what does it do and how does it work? You can also include:

- How your solution addresses the selected challenge/s you are applying to
- How your solution could contribute to improvements within the freight sector.
- How your solution will impact your target end users

**Innovation** - For this question you need to provide a strong case for why and how your solution is innovative. Key things to consider:

- Does your solution apply existing technologies into new areas, is it about developing new technologies for existing areas or is it a completely novel approach?
- You should explain what solutions currently exist and how yours is different, i.e., your application must provide details of its competitive advantage over any existing solutions.
- Make sure you explain how your solution will advance and improve the current state of play within the industry and provide evidence of how or why your innovation or solution is likely to work.
- You should also tell us whether you have protected your IP through patents, copyright, or trademarks.

**Market understanding** – We would like you to describe your understanding of the market potential for your solution and provide a transparent description of any technical and commercial risks you foresee with your solution, including specific details on regulatory risks, supply chain risks, competition, and anything else you deem relevant.

**Traction** - In determining the validity of your solution, our assessment panel would like to see evidence of your commercial traction to date. If you can, please provide us with details of:

- Your existing customer base, including early adopters.
- Who your collaborators are, both past and present.

- Market commendation, such as grant funding paid, investment raised and/or letters of support.
- Successful proof of concepts and or trials already undertaken.

**Team** – You should describe the roles, skills, and relevant experience of the project team, including any sub-contractors.

**Company pitch deck** – Please can you upload an existing pitch deck outlining your value proposition. This is extremely helpful as it will not only outline your current commercial offering, but crucially it will show how participating in this programme will help accelerate your solution and grow your business. We suggest you include company overview, problem & solution, business model, market analysis, competitive landscape, how this project will fit in and accelerate your business, team and financial projections.

## **Section 2 - Trial Specific Questions**

Section 2 focuses on the detail of the trial you are proposing to run for the duration of the accelerator programme. It is important to note that the programme is split into two phases, and we ask you to ensure that you propose a trial which is feasible to deliver within the specified time frame.

We define a trial as an intervention aiming to test the performance, qualities or sustainability of a product or service in a given context. Real world trialling should last 8 weeks.

- **August – October:** Trial Design (2 months)
- **November – February:** Trial Delivery (4 months)

**Trial Partners** – Your trial partner will be the organisations which you trial your solution with. There are two routes for selecting a trial partner:

- Applying with your own trial partner** – We welcome applications from SMEs who already have a partner in the freight sector who they would like to trial with.
- Being matched to a programme partner** – This route is for SMEs who do not have a trial partner. For this route, SMEs will be matched with one of the industry partners supporting the accelerator programme.

For this cohort, the partners are:

- DP World UK
- DHL

- Eddie Stobart
- Freightliner
- Maritime Transport
- Port of Dover
- Port of Tilbury
- Welch Group
- Wincanton

c. Please let us know which partner/s you would like to test your solution with. Consider the type of support you need, and alignment to the challenge.

**Trial Summary** - Please provide a one paragraph summary explaining what you will be developing or testing and what the outcomes will be.

**Trial Design** - Following the proposal phase (during which our cohort will design a testing or development project), participants will be given the opportunity to trial their technology or solution. Therefore, it is critical for us to be able to determine from the outset how your project might look. Please give a high-level project design detailing how you would develop and test your technology or solution in the future. It is encouraged that you answer all bullet points below:

- The proposed timeline for development and deployment.
- How you plan to manage the project.
- The characteristics of the testing environment which you might require.
- The input that would be needed from stakeholders (for example, data, infrastructure, equipment etc).
- A list of datasets or data parameters that will be required to develop and trial your solution.
- Any deployment support you may require from CPC, partners and third parties.
- Key risks or challenges you foresee and the plan for risk mitigation.
- Please feel free to upload any supporting documentation.

**Expected Benefits, Impact and Evaluation** - Please tell us how you would go about evaluating the impact of your technology or solution, i.e., how you plan to measure its effectiveness in increasing sustainability. How will you know that your technology has been impactful, and why is this important? We recommend that you think about answering this question in-line with the 5 vision stations from the [Future of Freight plan](#): cost effective, reliable, resilient, environmentally sustainable and valued by society.: cost effective, reliable, resilient, environmentally sustainable and valued by society.



**Project Finances** - You can invoice up to £150,000 for your trial delivery work on this programme. To foster a collaborative and mutually beneficial partnership, SMEs are expected to contribute **30% of the total project cost as matching funds**. For instance, if the overall project expenses amount to £100,000, you should invoice for £70,000 of your fees from the Freight Innovation Fund programme while providing £30,000 in matching funds.

Designed to be in-kind, the matching fund could include but is not limited to:

- Labour costs
- Overheads
- Materials costs
- Capital usage (property, equipment, facilities, others)
- Subcontractor costs
- Travel and subsistence costs
- Other costs - Workshop/lab usage charge outs, training costs, preparation of technical reports, market assessment, licensing in new technologies and patent filing costs of new IP.

Projects should demonstrate value for money. All cost information provided should be clearly explained and all rates must reflect fair market value. Sub-contractor and material costs should be justified. A reasonable daily rate for staffing should be provided, in cases where the rate is higher, please provide an explanation as to why the staff member is critical to the project.

We will require evidence of your in-kind match-funding in the form of written proof from your CEO/CTO (or relevant equivalent) detailing number of hours from internal staff, or evidence of other costs which will be incurred which will count towards your match-funding amount.

## *4. Assessment Scoring Criteria*

After the competition deadline, only applications that meet the eligibility criteria and scope of the competition will be formally assessed. Connected Places Catapult reserves the right to declare applications as out of scope of the programme.

Applications that progress to the assessment stage will be reviewed by at least three expert assessors from Connected Places Catapult and our partner organisations. Assessors with a broad technical knowledge across different areas of transport and

technology will mark your application. You should therefore write clearly in layman's terms, avoiding acronyms and obscure jargon.

This section details the six criteria our assessors will use when scoring your application. Under each criterion there is a maximum score of five available.

- Solution (20%)
- Trial Proposal (20%)
- Trial Feasibility (15%)
- Impact (15%)
- Traction (15%)
- Team (15%)

Following the initial assessment, several applicants will be shortlisted for interview. Interviews will take place from 8th – 26<sup>th</sup> July, 2024. With regret, we will be unable to accommodate individual requests for interview slots. Interview guidance will be provided ahead of time.

## *Notification of Assessment Outcome*

Only applicants that progress to the assessment stage will be given a breakdown of the scores achieved for each section of the application form. Connected Places Catapult reserves the right to declare applications unsuccessful and out of scope. Once the selection decisions have been made, we regret that we are unable to offer follow up meetings or further feedback for unsuccessful applicants.

If you are successful, you will be sent a New Supplier Form, Terms and Conditions Agreement, Invoice, and Statement of Expenditure form that you must sign and return, along with any additional documentation that is requested within stated timelines. Please note that if you are the lead applicant in a consortium, you will need to inform the other collaborators and partners about any selection decisions.

There will be an Application Support Webinar at 10am on **16<sup>th</sup> May, 2024** where our challenge setters will give more details about the scope of the programme.

## *5. Project Reporting*

### *Trial Plan*

The initial two months of the programme will be dedicated to SMEs for the development of their trial plan. By the end of October, we anticipate that you will have prepared a comprehensive trial plan outlining the specifics of your technology or solution development and testing strategy. The proposal should be written and presented to a professional standard and suitable for non-specialists, with all acronyms and unavoidable technical language clearly explained.

### *Progress and Final Reporting*

The trial delivery stage will be from November 2024 through to February 2025. Throughout the programme you will be required to provide regular progress reports highlighting opportunities, issues, and risks. At the end of your project delivery period, you will be expected to provide a final report detailing your outcomes, impact, and futures exploitation plans. There will also be a survey for you to complete which asks about your experience of participating in the programme.

### *Financial Reporting*

Please keep evidence of project costs as you will be asked to provide a clear breakdown of costs half-way through the programme and at the end of the programme.

## *6. Funding rules and payment schedule*

- CPC will be procuring the services for the programme under a pre-commercial Pilot & Trial contract.
- Once the contract has been signed, the Catapult will provide you with a Purchase Order number which must be clearly noted on all invoices.
- If you are VAT registered, please include the appropriate VAT on the face of the invoice.

- An invoice and a statement of expenditure will have to be provided for each payment to be released.
- Payment schedule:
  - 40% up-front payment will be made at the start of the programme.
  - 20% will be paid upon completion and approval of trial plan.
  - The remaining 40% will be paid once your end of programme report and survey have been completed and approved.

Only fees incurred between project start and end dates will be paid.

As Connected Places Catapult will be contracting with the successful organisation using a pre-commercial set-up, the funding will not constitute a grant and therefore will not be subject to Minimal Financial Assistance (MFA).

## 7. *Dates and Deadlines*

Please note the dates and deadlines for the competition below. These are indicative timings; we will adhere to this schedule as best as possible. The closing date for applications is fixed and will be midnight on **Sunday 9<sup>th</sup> June**.

**Applications submitted after the deadline will not be considered. Extensions will not be granted under any circumstances.**

Competition opens	1 <sup>st</sup> May
Application Support Webinar	10am, 16 <sup>th</sup> May
Competition closes (application deadline)	Midnight, 9 <sup>th</sup> June
Notification to shortlisted applicants	1 <sup>st</sup> July
Interviews	8 <sup>th</sup> – 10 <sup>th</sup> July: Technical and Business Due Diligence 15 <sup>th</sup> - 17 <sup>th</sup> July : Commercial Due Diligence
Feedback provided to unsuccessful applicants	5 <sup>th</sup> August
Welcome Day	28 <sup>th</sup> August

## 8. *Contact Details*

If you have any questions about the programme, please get in touch with our team via email – [FreightInnovationFund@cp.catapult.org.uk](mailto:FreightInnovationFund@cp.catapult.org.uk)

We wish you luck with your application!