

# **Freight Innovation Accelerator 2024**

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 has the opportunity to access up to £150,000 of grant funding** to test their solutions in real-world environments.

The programme was launched in January 2023 and selected its [first Cohort of 9 disruptive SMEs](#) in April.

The Freight Innovation **Fund Accelerator 2024 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:

1. Frequent Use of Heavy Machinery
2. Containment Solutions and Related Light Technologies
3. Temporary Intermodal Interchanges and Depots
4. Micro-mobility and E-Mobility

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.
- A willingness to travel on occasion to face-to-face meetings and events as required by the programme.
- A willingness to complete a development, testing or a demonstration of your solution in a real or relevant environment.
- A willingness to match-fund your payment (up to £45k or 30% of the grant) 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.

## *3. Application Guidance*

### *General Guidance*

- Carefully read this guidance document before preparing your application.
- You can access the 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 **November 26**. 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 - 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 (question 8), which we may share with the partner organisations in the programme. Therefore, please do not disclose any sensitive or commercial information in your summary.

## **Section 2 - Programme Specific Questions**

Section 2 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.

**Questions 27. Technology Readiness Levels** - 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.

**Question 29. 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 could contribute to improvements within the freight sector.
- How your solution will impact your target end users and meet the needs identified in your previous engagement activities.

**Question 30. Innovation** - For this question you need to provide a strong case for why and how your solution is innovative. For example, 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.

**Question 31. Market understanding and risk assessment** – 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.

**Question 32. 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.

**Question 33. Team** - You should describe the roles, skills, and relevant experience of the project team, including any sub-contractors.

**Question 34. 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 3 - Trial Specific Questions**

Section 3 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 4 months.

- **March – April:** Trial Design (2 months)
- **May – September:** Trial Delivery (4 months)

**Question 37. Trial Partners** – Your trial partner will be the organisations which you trial your solution with. There are two routes for selecting a trial partner:

1. **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.
2. **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 2024, the partners are: **Maritime Transport, Freightliner, Wincanton, FedEx Express, Port of Tyne and Portsmouth International Port.**

**Question 38. Trial Summary** - Please provide a one paragraph summary explaining what you will be developing or testing and what the outcomes will be.

**Question 39. 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.

**40. 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.

**41. Project Finances** - You can claim up to **£150,000 of your project costs**. 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 apply for £70,000 in grant funding 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.

## *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 the January 9th to February 1st, 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 Grant Offer Letter, Terms and Conditions, Grant Claim Form and Minimum Financial Assistance Declaration 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 on **November 1st, 2023** 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 program will be dedicated to SMEs for the development of their trial plan. By the end of April, we anticipate that you will have prepared a comprehensive trial plan outlining the specifics of your technology or solution development and testing strategy. The trial plan 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 May through to August. 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 ask about your experience of participating in the programme.

## *Financial Reporting*

Please keep evidence of project costs as you will need to submit a Statement of Grant Usage report which details all your expenditure. You will need to keep a copy of all receipts and invoices of your project spend.

## *6. Payment Schedule*

Payments are staged. An up-front payment of **60%** will be made to enable the start of the project in March 2024. At the end of the project in September 2024, the remaining **40%** will be paid once your end of project report has been approved.

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

## *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 26<sup>th</sup> November**.

**Applications submitted after the deadline will not be considered.**

Competition opens	<b>19<sup>th</sup> October</b>
Application Support Webinar	10am, 1 <sup>st</sup> November
Competition closes (application deadline)	Midnight, 26 <sup>th</sup> November
Notification to shortlisted applicants	15 <sup>th</sup> December
Interviews	Jan 9 – 11: Technical and Business Due Diligence Jan 22 – Feb 1: Commercial Due Diligence
Feedback provided to unsuccessful applicants	19 <sup>th</sup> February
Welcome Day	29 <sup>th</sup> February (TBC)

## 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!