

Innovate UK

COMPETITION GUIDANCE FOR APPLICANTS

for
Innovate UK Competition:

Smart: Proof of Market

November 2015

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Summary

The objective of Smart is to assist small and medium sized businesses (SMEs), including pre-start-ups and start-ups, to engage in Research & Development (R&D) projects in the strategically important areas of science, engineering and technology, from which successful new products, processes and services can emerge.

Potential applicants need to ensure Smart is right for their project. For this it will need to:

- (i) be a research and development based proposal in the area of science, technology or engineering;
- (ii) be clearly innovative; and
- (iii) have high growth potential with a reasonably short timeline to commercialisation.

The Smart scheme is a highly competitive process. All applications will be assessed by independent, specialist assessors and, following a ranking process, only the most highly ranked applications will be offered a grant within the limits of funding available.

For the purposes of this scheme, Research and Development are defined as follows:

Industrial Research

Original investigation undertaken in order to acquire new knowledge directed primarily towards a specific practical aim or objective. This type of research may involve the creation of a project to take forward the results of a previous basic research investigation.

Experimental Development

Systematic work, drawing on existing knowledge gained from research and practical experience that is directed to producing new materials, products and devices; or to installing new processes, systems and services; or to improving substantially those already produced or installed.

Within those two categories, the following elements may be offered in either responsive or thematic mode:

- **Research.** Work to explore the technical feasibility and commercial potential of a new technology, product or process through:
 - **Proof of Market** - an assessment of commercial viability of the new product, process or service to be later developed through market research, market testing and competitor analysis, Intellectual Property (IP) position, initial planning to take the project to commercialisation including an assessment of costs, timescales and funding requirements.
 - **Proof of Concept** - initial feasibility studies, basic prototyping, specialist testing and/or demonstration to provide basic proof of technical feasibility, IP protection, investigation of production and assembly options, pre-clinical research studies for healthcare technologies and medicines including target identification and validation.
- **Development of prototype** - a pre-production prototype of a technologically innovative product, service or industrial process, including small demonstrators, IP protection, trials and

testing (including clinical), market testing, marketing strategies, identifying routes to market, product design work and Phase 0 pre-clinical studies for medicines

Eligibility for funding

To be eligible for funding, the project must:

- Be based on project activity conducted in the UK;
- Be industry focused and present a clear case for business benefit.

and you must also:

- Meet all the requirements for submission detailed in this guidance.
- Be an SME as defined by http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm. Please note that this web link is correct at the time of publication of the guidance. You should ensure that you have checked for the latest version of this guidance.

Innovate UK will be running a continuous application process for Smart – ‘responsive mode’. You may enter the process at any time, and decisions will be made at the end of two-monthly batch period, referred to as rounds.

In addition, funding may be made available in ‘thematic mode’ to encourage applications in specific technologies or challenge areas. A specific competition brief and associated process, deadlines and funding will be issued for any such thematic calls and will be posted on the competitions website. This guidance document does not cover ‘thematic mode’ competitions.

How to use this document

This document contains the eligibility criteria, key dates, competition process and application form details specific to the Smart scheme competition. It is essential for applicants to read this document before applying.

In addition, the two items below offer further general guidance and are available in full on our website to help you complete your application. Links to these sections are below, and referenced throughout this document.

1. The project costs we fund and how to fill in the finance forms

This guidance contains detailed information on which project costs are eligible for funding and how to complete the Smart finance forms

<https://interact.innovateuk.org/documents/1524978/1866952/Smart+project+costs+-+guidance+for+applicants/672240b4-7bae-449b-b170-ac375acd7a8c>

2. How to find out more

Frequently Asked Questions (FAQs)

Innovate UK has published general FAQs and specific FAQs for the different support it provides. Please visit the website for more information.

For additional guidance and links to other areas which may be useful for completing your project, please click the following link:

<https://interact.innovateuk.org/documents/1524978/1866952/Smart+FAQs/e08a1eb5-9ace-4ff3-9505-143bd705fe06>

Innovate UK complies with the requirements of the Data Protection Act 1998 and is committed to upholding the data protection principles. Further details with regards to the collection, storage, processing and disclosure of personal information by Innovate UK is accessible from the above link.

Innovate UK main website

<https://interact.innovateuk.org/>

Smart Website:

<https://competitions.innovateuk.org>

If you are returning to the site to continue completing your application it can be found at

<https://competitions.innovateuk.org/Security/Login.aspx>.

Business Support Group:

E-mail: support@innovateuk.gov.uk Tel: 0300 321 4357

Part one – The Smart application process

1. Process Overview

The following guidance applies only to the Smart competition.

- Each two-monthly assessment cycle will seek to support a balance of Proof of Market, Proof of Concept and Development of Prototype projects.
- Funding will be spread across the year with a proportion of the annual funding available in each assessment cycle. In this way, access to funds is continuously maintained.
- Only **UK based SMEs** are eligible to apply – please ensure that your business meets the requirements of SME eligibility. It is your responsibility to make sure that you are eligible.
- All applications will be assessed on individual merit in accordance with the normal Innovate UK process (see Section 4) and are subject to meeting the required quality threshold.
- An individual, individual business or group of linked businesses may only submit **one project application per category** (e.g. proof of concept) **per round**. If more than one application per category is submitted in a round only the first application submitted will be considered for funding.
- An individual business **may only have one live project per grant type at any one time**. For example if a business has a live Development of Prototype project, they may not submit a new Development of Prototype application until the first project has completed.
- Smart is a competitive process and all applications in a round will be assessed and ranked against the other applications for that round. Only the most highly ranked applications will be offered a grant within the limits of funding available.

Innovate UK offers a range of funding mechanisms and each will have a different application process. It is, therefore, important that you have the correct documentation for the process you wish to enter. Eligibility and rules for Smart will differ from other Innovate UK competitions (e.g. Collaborative Research and Development, SBRI) so you should ensure that you are applying for the most appropriate type of funding for your needs.

Innovate UK processes are subject to change. If you have previously entered into a Innovate UK competition, please do not assume the process and details are the same.

2. Choosing the right type of grant

2.1 Levels of project funding available

This guidance is for Proof of Market applications only. There are two other types of grant available under Smart, and details are given here so you can be clear you have chosen the right option for your project.

Overall project funding is dependent on the research or development undertaken, but is subject to the following maximum value and timescale as follows:

Grant Type	Intervention rate (responsive mode)	Max grant level	Max duration
Proof of Market	60%	£25,000 (max 20% upfront payment)	9 months
Proof of Concept	60%	£100,000 (lower of 20% or £10,000 max upfront payment)	18 months
Development of Prototype	35% medium enterprises 45% small and micro	£250,000	24 months

Intervention rate here means the percentage of eligible project costs that can be claimed from Innovate UK. For Proof of Market and Proof of Concept projects you will need to provide 40% of the eligible project costs, for Development of Prototype, you must provide either 55% or 65%, depending on the size of your business.

Note: under State Aid rules, the intervention rates above apply to the sum of all public grants offered to a project. If you are receiving other public support for your project this must be taken into account so that the total intervention rate is not exceeded, so please provide details in your application form.

2.2 Projects that span more than one type

Whilst it is possible that your ideas could have elements of more than one grant type (i.e. some proof of concept and some development work), you can only apply for one type of grant at a time. You should identify which type most closely matches what you need to investigate, and include **only** those elements that meet the requirements of each grant type. You can apply again later for the subsequent stages of the idea if you need to start at the research stage.

For example, if successful in a Proof of Market project, you may at a later stage apply for a Proof of Concept or Development of Prototype grant for the same idea. You do not, however, have to be successful in any one type of grant to be eligible to apply for funding through another one.

The definitions of prototyping that are used for the purposes of Smart are:

Basic Prototyping : Bench type prototyping to test the technology, science etc. of the idea. It would be expected to perform some or all of the functionality of the final solution but not be in the final form. Also models, drawings and other representations to show how a final solution would work.

Pre-production prototyping (not suitable for Proof of Concept projects): A late stage prototype that likely would 'work-like' and 'look-like' the expected final solution, but which could not be sold commercially.

Assessors will check to make sure your project is in scope for the grant type you have applied for. They will particularly check whether the project falls into either the research or the development category – if your project is closer to market please ensure that you use the Development of Prototype grant. Proof of Concept projects including basic prototyping work must make clear the reason for needing a prototype at the research stage.

If Innovate UK believes that an application for Development of Prototype is premature, applicants may be directed to look instead at Proof of Market or Proof of Concept and make a further application to those types of grant. This direction would not imply any guarantee that such a further application would be successful.

2.3 Software projects

Software projects must involve significant technical development (engineering) that produces at least a step change impact on how computers and other devices are programmed or used.

Only the following types of project will be considered to meet this criterion:

- The evolution of software methodology to produce a radically new application, contributing important leaps in the performance of the technology or service that will have industry-wide commercial appeal
- Software engineering projects leading to critically important advances in the state of the art that are capable of widespread industrial application

The degree of innovation and technical risks associated with any software development will need to be viewed within the wider context of the technology development which would occur in this sector by its very nature.

Communications technology projects that involve a significant component of software development of the type outlined above should address the software development criterion in addition to demonstrating innovation in the communications technology aspects of the project.

The scheme is unable to support projects that, in our judgement, lead to incremental development, increased functionality or general improvements in efficiency, no matter how much merit there may be in such work. Standard engineering tasks which include elements of software porting, data gathering/inputting, product enhancements or integration of off-the-shelf components are not considered to be sufficiently innovative to qualify for a grant.

2.4 Funding from other sources

An application under this Smart scheme will be deemed ineligible if the same project has already received funding under one of the similar programmes that are run by the Devolved Administrations, or from one of the recently closed Regional Development Agency schemes.

This does not apply if moving between grant types for the same idea, i.e. progressing a proof of market project under another scheme into a Development of Prototype project in the Innovate UK programme.

Any other public sector support received for your project will count towards the total grant you can receive for the project, so you must provide information on this in your application. The match funding to the grant must be from non-public sources.

2.5 Guidance on using Smart for Eureka funding

EUREKA is a European wide network established in 1985, with over 30 EU member and associated member states. The funding of individual R&D projects oriented to the market represents by far the core activity of the EUREKA network. In April 2012 there were 722 running projects with 2640 individual participants.

As there is no European Commission funding for EUREKA projects, the funding for individual partners is through their national funding body [e.g. German funding agency pay for their participants, the French pay for their partners etc].

Innovate UK is the main funding body for UK participants in EUREKA. Innovate UK only funds SMEs in EUREKA [Large companies and HEIs are eligible to participate but they have to self fund or get funding from other sources] and the instrument for this funding is the SMART scheme.

SMART project applications by UK SMEs for participating in a EUREKA project will be assessed along with all other Smart applications using the standard Smart assessment criteria.

Quality of the project partners in a EUREKA project.

The project quality, plus finance and capacity checks is undertaken by the relevant national funding body to a European Union recognised standard. There are established project rules for a participant such as limits to the amount of work carried out by an individual partner and/or country.

3. Applying for a grant

3.1 Introduction

Smart applications for funding consist of a single stage competitive process – there is no expression of interest or ‘pre-qualification’ stage. Applications will be assessed in round close batches at approximately 2 month intervals. The round close deadlines will be published on the Innovate UK website. Successful and unsuccessful applicants will normally be notified 1 month after the round close deadline.

Important Note:

To apply for funding you will need to proceed to the specific Smart webpage. This will then direct you to the registration page of the online Smart application system. You should register via the website entering a username and password of your choosing to access the system.

If copying and pasting text from a document into the online system the formatting is not retained as the data is saved as plain text within the database. There are certain characters or combinations of

characters that the Smart system might interpret as malicious code and prevent the text saving. Please avoid if possible using < and > characters and certain combinations of " ' % ;) (& + - characters.

If you need further assistance or information on the application process, please contact the Business Support Group:

E-mail: support@innovateuk.gov.uk Tel: 0300 321 4357

The Business Support Group is not able to provide advice on project development, only on the application process

3.2 Registering online

To apply for a Smart grant you need to register via the website. Once registered you can log in to the system and apply for the grant type appropriate to your project. If you wish to apply for further Smart grants in the future you do not need to re-register, the system will retain your information (if recorded in the personal information tab) and a record of previous applications. You will need to start a new application for each project you wish to apply for, and you will be directed, from your main account, on how to start a new application. Information saved in to the personal information tab will be pulled through into each new application you begin. This can be edited as required. We are only able to accept applications submitted through the required system.

3.3 Timeline for applications

Applications can be submitted at any time. There is no difference if you choose to submit at the start of a two month round period or at the end. Funding will be available throughout the year so you should ensure that your application is complete and of high quality rather than rush to submit early in the financial year.

Please note that once you press **submit** (i.e. commit the application for assessment), the process **cannot be reversed**. While your application is in draft you can change it as often as you like. Entries made during a session will be saved each time you press 'next' or 'save' and you can edit at your leisure. Before submitting your application, the system will ask you to validate your application. This will validate successfully if you have completed all required fields and uploaded all mandatory documents or will fail to validate if there are any requirements outstanding. The system will produce a list of outstanding issues to address in this case.

Only once you have successfully validated your application will you be able to proceed to the final declarations and to submit your application for assessment. Please note, the validation will only check that there is content in each field and will not perform any checks on the validity of that content.

Once you press to submit, the application will be frozen for passing to assessors, so please ensure that you have worked the idea up fully before you make the final decision to submit.

Important Note:

We strongly advise you not to leave your submission to the last minute before the end of the two month round deadline – **12.00 noon on the batch assessment date**. If any technical difficulties arise there will be no extension, your application will be entered into the next round deadline, thereby extending the assessment period by two months. Innovate UK is not able to enter into any discussion regarding this – the system automatically allocates all submissions after the 12.00 noon deadline to the next round deadline.

3.4 Application process

The application for a Proof of market application consists of the following:

- Application form (web based) please refer to section 8 of this guidance.
- Smart finance form (see section 8.6)
- Appendix A (see section 8.6)

4. Assessment

4.1 Introduction

Innovate UK funding process is a competitive application process. The assessment process is transparent and undertaken at arm's length from Innovate UK.

Independent assessors are appointed by Innovate UK . All assessors are required to sign confidentiality agreements and to declare any potential conflicts of interest. They are required to treat applications in the strictest of confidence and to apply due information protection rules.

Assessors are engaged as individuals, not as representatives of their employment. They are required to carry out an assessment of the proposals themselves and not to ask anyone else to review an application in their place nor to ask anyone to give another opinion of their assessment. All assessors will be briefed by Innovate UK to undertake assessments according to Innovate UK's requirements.

Innovate UK preserves the anonymity of the assessors and their names will not be provided under the Freedom of Information Act 2000. All panel reports and ranking sheets are confidential and will not be available to anyone other than Innovate UK and its contractors without your permission.

4.2 Assessment process

A standard assessment process applies to all applications as follows:

- Applications are forwarded to assessors.
- Each application is marked by a minimum of three assessors.
- Each application is assessed against the same set of questions within a grant category.

- Each assessor is required to complete and submit a score-sheet with comments for each application they are assigned to assess.
- A report is compiled to identify ranked order of all applications based on the average of all assessor scores, this is known as the panel sheet.
- The panel sheet is reviewed and moderated. The highest ranking applications, subject to a minimum quality threshold, are recommended to Innovate UK for funding.
- Moderation involves checking for any outlying scores, ie if one of the scores varies considerably to the other two scores. If an outlying score is identified then additional assessments are requested.
- The final recommended panel list is presented to the Funder's Panel of Innovate UK to obtain final approval for funding. NB Whilst Innovate UK engages assessors to act on its behalf, it retains the right of decision over scope and to whether a proposal is in or out of scope absolutely. Projects considered out of scope will not be funded.
- All applications will be assessed on individual merit in accordance with the normal Innovate UK process.
- The comments provided by the assessors noted on the score sheets forms the official feedback provided to you.

5. Notification and Feedback

5.1 Notification

You will normally be informed of the outcome of your application one month after the published round close date. Following completion of the assessment of the applications, you will be informed by email whether your application has been successful, subject to compliance with the terms and conditions of the Conditional Offer Letter that you will receive.

Innovate UK often publicises the results of competitions which includes engagement with the media. At the end of the application and assessment process, Innovate UK may issue a press release or publish a notice on its website. These may, for example, outline the overall results of competitions and describe some of the projects to be funded.

We understand that some businesses may want their activities to remain confidential and you will be given a chance to opt out of any involvement in media relations activity and further case study coverage of projects, should you see this as being absolutely necessary. However, the public description of the project you provided in the application form will be made available in the public domain if your application is successful, and you are not able to opt out of the public description being published.

Any business that wishes to publicise its project, at any stage, must contact the Media Relations Manager at Innovate UK before doing so (pressoffice@innovateuk.gov.uk).

5.2 Feedback, re-application and right of appeal

The comments provided by the assessors on the score sheet forms the feedback provided to you. Feedback will be made available to successful and unsuccessful applicants, within two weeks of the date

of notification. No additional feedback will be provided and there will be no further discussion on the application.

If unsuccessful, you may choose to reapply for funding **once only for the same project, regardless of grant type**. For example if you apply for a Proof of Concept grant and are unsuccessful, you may reapply once. If however the second application is also unsuccessful you may not submit another application for the same project, even into a different grant type for example Development of Prototype. The decision to reapply rests with you, and addressing specific feedback from Innovate UK and its assessors does not guarantee success in a future round.

The rules on reapplication apply equally to individuals submitting on behalf of businesses and groups of linked businesses. For example an individual may not resubmit an application under a different company name.

The feedback from the assessors is intended to be constructive. Contradiction may suggest that your proposal could be clearer or better justified, as well as reflecting the different views of assessors. Comments are not a check list of points which must be answered or argued in a resubmitted application as the assessors may be different and it is your decision as to whether you act on the suggestions made.

Please note that we check for re-applications. If you decide to submit a new project following an unsuccessful re-application, please ensure it is a genuinely new idea and not a rework of a previous project.

There is no right of appeal against the decisions of the panel.

6. If you are Successful

6.1 Conditional Offer Letter

If your application is successful, post notification you will receive a Conditional Offer Letter containing details of your offer as well as information about the next steps and a number of templates for information that you will need to submit to Innovate UK in order for us to process your application. If you wish to accept the Conditional Offer Letter you will need to return a signed copy of the letter as well as a letter on your organisation's headed paper confirming your BACS details for payment purposes.

Your project will be unable to start until a number of steps have been completed satisfactorily. These are:

- all documents we have requested in the Conditional Offer Letter are received
- the review conducted by Innovate UK on your project costs (see section 6.3)
- our financial viability checks on your business (also see section 6.3)

If you do not respond by the deadlines stated in the Conditional Offer Letter, the conditional offer will be withdrawn and funding will not be provided.

Upon completion of these checks and receipt of the requisite documents, Innovate UK will send you a “**Grant Confirmation Letter**”. You should enter your project start and end dates, accept the grant offer by signing the letter and return it to Innovate UK.

Please note that you cannot start your project before you sign and return the Grant Confirmation Letter and that the start date entered on your Grant Confirmation Letter cannot pre-date the letter. Any expenditure prior to notification from Innovate UK of final approval will be incurred at your own risk, will not be eligible for grant, and will not be included in project costs you can claim against.

You should, however be able to start your project as soon as you have been given the go ahead so that your idea can be explored and exploited quickly.

You should note that discussions over terms and conditions that are either in the Guidance or in the Conditional Offer Letter will not be considered as extenuating circumstances.

An example of a Conditional Offer Letter will be available on the website so that you can see the terms and conditions that you will need to agree and adhere to and what our responsibilities are to you.

6.2 Fast Track Option

Should you wish to start your project quickly and are in a position to do so, we offer a “Fast Track” option. We aim to enable starting a project within 20 working days from confirmation that your application has been successful, subject to the necessary documentation being completed. We will make you aware of this option with your Conditional Offer Letter and if you do wish to take advantage of this option you should notify us as soon as possible by following the instructions per the email sent containing your Conditional Offer Letter.

6.3 Project cost and financial viability reviews

Project Cost Reviews

During the assessment, the project costs and plans in the attachments will be reviewed by assessors along with the answers to your questions on the application form. However, this will not check the eligibility of your project costs nor will there be any financial checks on your organisation. These checks take place **following** the assessment decision but prior to the start of your project.

A high level cost review takes place before the assessment decision and you may be contacted during either stage if we have any queries about your project costs.

Being contacted for this information does not indicate either success or failure in the assessment process.

Financial Viability Checks

Innovate UK will undertake financial viability checks on all successful applicants. These include looking at the latest independently audited accounts for your business filed on the Companies House database.

Where a business is not required to file accounts with Companies House, other financial information may be requested to enable appropriate financial viability review to be undertaken. We will be looking for evidence of your ability to resource the project appropriately, so the information we request will be focused on understanding how your business operates in this respect.

Before your project starts, we will ask for evidence that you have the funding mechanisms in place to manage your cash flow across the life of your project. This could include letters of credit or other such mechanisms. We do not expect you to have cash deposits to cover the entirety of your project at the start. If you do not complete your project due to cash flow problems that you could have anticipated and managed, we may request repayment of any grant already issued to you.

Match funding should ideally be in place at this point. However, we recognise that some projects will need to use the offer of a grant to leverage private investment in the project. The match funding will need to be secured before the project can start. If this is likely to be the case with your situation, please note it within the application form.

6.4 Monitoring

All projects are assigned a Monitoring Officer (MO) who will keep in touch with you during your project and report progress to Innovate UK on a periodic basis. In general, the key roles of a Monitoring Officer are to:

- provide assurance to us (Innovate UK) that the project is progressing as planned
- act as the first point of contact with us if issues arise on the project that need to be resolved
- help us to ensure that public money is being spent appropriately by reviewing claims and project reports
- ensure that we have information that describes the work that projects are undertaking and their outcomes, which will also support wider reviews of the Smart scheme as a whole

However, the Monitoring Officer is not there to manage the project or act as an expert advisor - project management and reporting is your responsibility.

During your project the Monitoring Officer will play an important part in:

- **Getting off to a good start** – by making contact with you early on and helping you understand what is needed before you can make your first claim.
- **Checking everything is progressing as planned** – by reviewing your interim report, updated forecast and any subsequent claims and ensuring that they are in line with the project plan. If there are any issues arising, the MO will consult with you and with us on what needs to be done to keep your project on track. They will be the first point of contact if changes need to be made
- **Making sure projects complete successfully** – ensuring your final report is satisfactory, including reviewing what you have said you are going to do with the results of your project and any other remaining conditions in the offer letter. The MO will approve the final claim for payment once all these conditions are met

6.5. Claims

All claims will be checked to make sure they are in line with the grant agreement, eligibility criteria and project progress.

Claims will need a director (or equivalent) with financial authority to certify that the costs have been incurred in line with the funding rules, and have been paid within the period specified.

All grants are claimable in arrears and will only be paid once the necessary reporting has been completed and received satisfactorily. Claims are paid directly into a business bank account. **It is important that you plan your cash flow requirements to ensure that you can accommodate the cash flow required for the project arising from payment in arrears.** You should also ensure that there is sufficient flexibility in your finance arrangements to allow for any delays in claims being paid, should queries arise.

In order to help with cash flow, a pre-payment will be made for Proof of Market and Proof of Concept projects. For Proof of Market a pre-payment of 20% of the grant up to a maximum of £5,000 will be made at the start of the project.

This amount of payment will be deducted from the first and subsequent claims until the pre-payment has been recouped.

7. State aid legislation

Smart funding is awarded under the rules of the European Union that apply to trade between member states and competition between companies. We have a notification under State aid regulations for the kinds of grant we can offer and the kinds of business that we can offer the grant to. These are detailed in the section on eligibility above.

Whilst we will check all information that you provide us with to try to ensure that you meet the requirements of State aid, it is ultimately your responsibility to make sure you do not apply for a grant for which you are not eligible, and to notify us if your situation changes during the project.

For this scheme, you must ensure that you are a UK based SME, undertaking the work in the UK.

If there is a breach of State aid regulations, for whatever reason, the European Commission would require you to repay any grant received, including interest, above that which was due. You must also

ensure that the total grant funding for your project from public sources (including from the European Commission) does not exceed the permitted percentages stated in section 2.1 above.

Part Two – Detailed guidance on completing your application

8. Completion of the application form

This section will guide you through the completion and requirements of the application. Please note that there are different application forms for Proof of Concept and Development of Prototype. Please make sure that you read the relevant guidance for your type of grant.

It is important that you address and respond to each question clearly. This guidance is intended to explain what is expected by each question.

Your project will be judged based on the information provided in the application form and supporting documents. There will be no opportunity to enter into discussion about your project with the assessors or Innovate UK.

To assist and guide you through the questions, the guidance below provides an explanation of what is required of each question. The guidance notes are not intended to be exhaustive; you are expected to develop your own responses based on your own skills, knowledge and experience. You are encouraged to utilise fully all available space and any appendices at your disposal, within the set space limits.

On accessing the online system, you will be asked to login using your username and password. Once logged in you can resume an existing application or create a new one. If you create a new application you will be taken to the Smart selection screen where you will also need to input your project title. The following screen is where you must select what type of grant you are applying for. This in turn will lead you to complete the appropriate online application. Please note that the three types of grant have different application contents so please ensure you are selecting the one you wish to apply for.

Each section of the application has explanatory notes at the start. You can scroll back and forth through the application and moving onto the next page will automatically save the contents of each page.

Please note that following completion of the application form, and uploading of appendices and finance form, there are some declaration questions which must be answered before you can submit your application. The declaration questions can only be accessed once you have validated your application which checks for validation errors and that you have completed all the necessary information. Validation and completion of the declaration questions can take some time, so we strongly recommend that you complete your application and validate it in plenty of time in advance of

the Round close deadline. Any application submitted at 12 noon or later will automatically fall into the subsequent round.

8.1 Business Details

The initial sections ask you to input details about your organisation.

We recognise that pre-startup organisations may not have all of this information – for example company registration number or annual turnover. In this case, please leave those fields blank, but ensure you indicate the status of your business in the project details for the benefit of the assessors.

Field	Guidance
Types of Project	<p>Please select the Project Type applicable to your application.</p> <p>Is this project a follow-on project as a result of delivering a previously Smart grant funded project (e.g. a Proof of Concept, following a successful Proof of Market project)? Please select YES or No.</p> <p>Please note that support received under another Smart grant type will not affect your chances of receiving funding for this application.</p> <p>If YES, To help us track the success of the Smart scheme, please enter</p> <p>A. Your Smart project application number for the successful Smart application B. Your Innovate UK file reference number (a 6 digit number commencing with 7)</p> <p>Please note that answering these questions is <u>mandatory</u>.</p>
Proposer Details	
<p>Name and details of the person filling in the application form, and main contact point for the application process.</p> <p>This may be different from the Applicant Details (see below) if you are completing the form on behalf of someone else. If you are NOT the final applicant (i.e. the responsible director or equivalent in the business that will undertake the project), you also need to complete the next section.</p>	

Applicant Details (if different)

Enter the information requested about the business that will be undertaking the project. The contact name here should be the senior staff member with authority to sign off the project.

It is particularly important that the name of the organisation is completed with the full legal name of the organisation as this is what will appear on the Offer Letter if you are successful.

If the applicant organisation (i.e. the business undertaking the project) is part of another organisation it is important that the 'Ultimate holding organisation details' section is completed fully and correctly in order to establish the funding size of the whole business. You must ensure that you have established that the organisation fits the EU definition of a Small or Medium Enterprise (SME) or the application will not be eligible for funding, and any grant made may have to be repaid.

Organisation Name	Enter the full registered name of the organisation applying for the grant.
Contact Details	Enter the address, postcode, email address and telephone number of the Director or equivalent responsible for the application.
Market Sector	Please select the market area in which your business generally operates. This does not need to be the same as the SIC code you have selected for your overall business, though there may be some overlap.
Technology Area	Please select the technology area in which your business generally operates. This does not need to be the same as the SIC code you have selected for your overall business, though there may be some overlap.
Number of Employees (including Directors)	Number of staff in your organisation – please note that you should check that you qualify as a SME based on number of staff in your organisation.
Business Registration Number	If UK registered, please provide your business registration number.
VAT Registration Number	Please provide if you or your business are VAT registered.
Business Maturity	Using the dropdown menu, please select the length of time your business has been trading.
Stock Exchange Is the company quoted on a stock exchange?	Please state which, if your company is listed on a stock exchange.
Turnover	Please provide your most recent turnover figure from annual accounts and the date of those accounts.
Balance Sheet Total	Please provide your most recent balance sheet total (total assets net of depreciation) and the date of the calculation.

Standard Industrial Classification Code (SIC Code)	Please give the SIC code that best describes the activities of your business. If you are not sure of your SIC Code, please click the 'plus' sign next to the input box for guidance.
Does your business have an immediate or ultimate parent company or linked	We need to understand if there are any significant shareholders in your business and the size of that shareholding. Please see the guidance on SME eligibility for more information.
Other Assistance	
<p>You must provide details of any support you have applied for in relation to this project from the public sector (including any financial support from Innovate UK, Regional Development Agencies, and grants from other Government Departments, Local Authorities etc.)</p> <p>Have you made any other grant applications for this project?</p> <p>Please provide full details of other funding that you are currently applying for or have already applied for in relation to this particular project. This data is important as other public sector support is counted as part of the grant you can receive for the project. Do not include grants that have been used to reach this point in the development process and are now completed.</p> <p>If you select YES to the question, please list out any previous applications for grants you have made.</p>	

8.2 Project details

Proposal Summary	
Project Title	<p>Please enter a meaningful title for your project.</p> <p>This title is important as it introduces your project to the assessors.</p>
Public Description of Project (Mandatory)	<p>This is an opportunity to provide a short summary of the key objectives and focus areas of the project.</p> <p><i>This should be a brief, public facing description the project – no more than 2000 characters – using language that can be understood by people without specialist knowledge or expertise. It should explain why the project is innovative and describe the key aims and objectives. Should your project be successful, this information will be made public once the award is confirmed. We reserve the right to amend the description before publication if necessary, but will consult you about any changes.</i></p> <p>This should not contain reference to any intellectual property as this description will be made available to the public domain if the application is successful. Whilst this section is not assessed, provision of this public description is mandatory. You will not be able to submit your application unless you tick the acknowledgment box. Funding will not be provided to successful projects without this description.</p>
Resubmission?	<p>Have you or your company previously submitted an application for the same or a similar project to the Smart scheme in the same category (e.g. Proof of Market)? Please note only one resubmission is allowed for the same project.</p> <p>Additional resubmissions will be classed as ineligible and will not be sent for assessment.</p>
Total Company Contribution	<p>This is the amount of total eligible project costs that you will be paying from your own resources/ private sector investment into your project.</p>
Amount of Smart Grant Applied for	<p>This is the amount you will be asking for from Innovate UK. Please ensure that you do not request a grant higher than the maximum allowed for the grant type you are applying for taking into account all public sector funding for the project.</p>

Other Public Sector Funding Applied for	<p>Please provide full details of other funding that you are currently applying for or have already applied for in relation to this particular project. This data is important as other public sector support is counted as part of the grant you can receive for the project.</p> <p>Do not include grants that have been used to reach this point in the development process and are now completed.</p>
Sum of Company Contribution, Smart Grant Applied for, Other Public Sector Funding applied for and Funding Percentage Requested	These fields will complete automatically, but you should check that your project does not exceed the intervention rate for the grant being applied for.
What is the estimated start date for your project?	<p>Please select the month when you would expect to be able to start your project (subject to approval)</p> <p>Please note: this cannot be earlier than the start of the month following the date of notification of results</p> <p>When setting a start date, please take into account the assessment period (1 month from round deadline) and offer letter issue and financial checks period that need to be undertaken. The start date should only be considered as an indication. Should you start your project before final approval any costs will be incurred at your own risk, will not be eligible for grant, and will not be included in project costs you can claim against.</p>
Duration of project	Please specify the number of months your project is expected to last.
Project Location	We need to know the location where the research or development will take place. Please do not just use your Head Office address here (unless you are undertaking your project at the Head Office) – we need to monitor where the work is actually undertaken in the UK.

8.3 Project Details: Opportunity and Market

The next section of the application contains four questions.

Each box on the application allows for answers up to 4000 characters for questions 1 and 2 and 3000 for questions 3 and 4 and a counter will indicate how many characters you have remaining.

Question	Guidance (5 points per question)
1. The idea and its potential market impact.	<p>Please state what idea you wish to investigate and what actions you believe are needed to successfully address the issue.</p> <p>You should describe the size of the market opportunities that subsequent development of this idea might open up.</p>
2. What do you propose to do in the study? Which other organisations or individuals do you intend to work/contract with?	<p>Please provide:</p> <ul style="list-style-type: none"> • an overview of the work you propose • a descriptive plan including key work packages • a brief description of any organisation(s) you wish to work with (sub-contractors) <p><i>NB Sub-contractors should undertake their work in the UK – you should ensure that all work is done in the UK unless there is a compelling reason why the expertise cannot be sourced here and be able to justify it.</i></p>
3. The deliverable(s) – what will be the outputs from your investigation?	<p>Please describe what it is you will deliver as a result of this project - whether it is a report, presentation, demonstration etc and how this is relevant to the market that the project is seeking to explore.</p> <p>All projects will be expected to create a final written report on their findings as part of project closure. If that is your only expected output, then you should describe here in more detail what you expect the main headings of your report to be and how this addresses the market opportunity you are exploring. If your project will also generate information in a different format, please tell us how this will be done and again how this is relevant to your intended market.</p> <p>Assessors will be looking for evidence that the project costs are appropriate for the deliverables anticipated.</p>
4. What you need this grant for; i.e. what is the added value of public sector support? Why can't you fund this yourself?	<p>Please state why public funding is necessary for this project; i.e. why you cannot fund it yourself. This section should show why you are <u>not able to</u>, rather than not willing to, find the money from your own resources to undertake the work.</p> <p>You should also state where applicable how public sector funding will enable you to undertake this project differently than if you had to fund it yourself.</p>

8.4 Project Details: Midpoint Report

This section will not be scored, but will be used by assessors to see how the project is planned to progress, and by Monitoring Officers if the project is approved to ensure that progress is being made.

Progress expected by the midpoint	You should state what progress you expect to have made by the midpoint. A short report is mandatory at the midpoint of the project.
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8.5 Financial details

Please complete the financial details in the table on the online application form. These allow you to input the total costs associated with various cost headings. You will need to include totals in the form, but we recommend that you keep safely the information and calculations on which you base your answers, in case of queries during the assessment process.

Guidance on eligible costs is given in our Smart Project Costs guidance on our website, available here: <https://interact.innovateuk.org/documents/1524978/1866952/Smart+project+costs+-+guidance+for+applicants/672240b4-7bae-449b-b170-ac375acd7a8c>

Costs entered in this section MUST equal the total costs (company contribution + grant requested + other public sector funding) entered in the “Proposal Summary” section of the application.

Project Costs	
Question	Guidance
Labour	Please provide a summary of total labour costs for the project
Administration Support Costs	There are 3 options for the calculation of administration support costs. Please refer to the document “Smart project costs” for details on these options.
Materials consumed during project	Please consult the guidance on eligible materials.
Sub-contract charges	Guidance is provided below on eligible sub-contract charges and arrangements
Intellectual property costs up to £7500	Please consult the guidance on which elements of IP protection are eligible for support.
Travel and Subsistence	You should include here T&S essential to the delivery of the project.
Other	Please consult the guidance for other eligible expenditure which is not included in the categories above.

The online form will automatically calculate totals based on your answers.

8.6. Files: Supporting Information - Smart finance form and project appendices

Smart Finance Forms

In addition to the financial information you enter on your form, it is mandatory for you to submit a separate Smart finance form, which you will be able to obtain from the Smart website. The form must be completed in sequence order and the costs must match the costs you enter in your application form. Once completed it should be submitted on-line with your completed application.

Please ensure that the Smart finance form is the latest version, downloaded from the website for the round in which you submit your application as the system will not accept older versions of the form and you will not be able to complete your submission.

The current version of the Smart Finance form for Proof of Market applications is:

Smart Finance Form –POM v8.xls

The form is an Excel spreadsheet and must not be altered or converted in any way. Any Excel sheet other than the form provided is not acceptable and will be deemed ineligible to the competition. Applications using incorrect forms will not be sent for assessment.

Appendices

A proof of market Smart application requires you to submit an appendix in addition to your Smart finance form.

It is important to note that appendices are intended to contain supporting information and not substantive elements of answers to the application form questions. Do not, therefore, use the appendices as an overflow to the application form.

So that assessors are able to open and read the Appendix it must:

- Conform to the maximum length specifications listed below;
- Be submitted in one of the following formats: MS-Word (.doc), MS-Excel (.xls or .xlsx) or Portable Document Format (.pdf);
- Be legible at 100% zoom / magnification – do not use a small typeface to get in more information than we can read;
- Display prominently the 'Project title' as entered on the application form;
- Be named per the specifications given by the online system.

Please note the following when uploading appendices:

- Google Chrome, Mozilla Firefox & Internet Explorer browsers are known to work. If you are having issues using the system/uploading appendices in a browser please try an alternative browser.
- Please ensure that the documents to be uploaded are not open when uploading.
- Please ensure that the PC that is being used to upload documents has the appropriate software installed e.g. that Microsoft Word installed when uploading a Word document.

If you submit documents over the length specifications below these will simply be truncated from the document and discarded - they will not be forwarded to assessors or be assessed in any way.

Please do not include links to websites – the information in the application form and appendices should be sufficient in its own right. Assessors will not use any information that is not contained directly in the application form or specified appendices.

Appendices may be printed or photocopied in black and white, so colour should not be used as the sole method of conveying important information.

For Proof of market applications, it is mandatory for you to supply an Appendix A as detailed below.

Appendix	Guidance
Appendix A (Compulsory) Up to 2 sides of A4	Please provide further information to address Question 2 of the application form - What do you propose to do in the study? It is compulsory to provide a Gantt chart or similar breaking down the planned activity into work packages for the duration of the project, with key milestones. Ideally the project plan will show the relationships between the various work packages.

8.7 Validation of your application.

Once you have uploaded your finance form and appendix, you have completed your application and can then validate it on the system.

At this stage, you may find it useful to review your application by taking a copy of your application in PDF format. To do this, click on “Create & Review Your Application”. This will allow you to review your responses offline and make any necessary amends prior to validation.

When you are happy that your application is complete and complies with the requirements of the competition, click on “Validate Application”. This system will check that you have completed all the required fields and that you have submitted the correct version of the Smart finance form as well as the mandatory appendix. Any areas failing validation (missing entries) will be listed on the screen. You will need to rectify these areas by clicking on each of them before you can submit your application.

Please note: validation and associated amendments can delay your submission. Please ensure that you complete your application in plenty of time to meet the application deadline.

9. Assessment Category

Please select the most appropriate assessment category for your project. It is important the correct category is selected to ensure that the application is allocated to the most appropriate assessors. Please see table below providing guidance on the categories provided to help ensure you select the most appropriate category. The important factor to consider is where the project's innovation lies.

Assessor Area	Description
Creative Industries - Media	General media including broadcast
Creative Industries - Computer Games	Gaming on computer platforms, including tablets and smart phones
Creative Industries - Social Media	
Creative Industries - Publishing	Offline and online publishing
Creative Industries - General	Other forms of creative industry
Digital Services	Internet, mobile communications, networks, Cloud computing, cyber security
Electronics, Photonics and Electrical Systems	Electronics hardware including control systems, power engineering, plastic electronics, data and image acquisition, communications, systems design and integration
Information and Communication Technology	Software systems, software computation or algorithms, software computation or algorithms, storage systems, software tools, software approaches to the user interface to systems, other software enabling technologies, or if the innovation is most significantly related to the software component in another type of system
Nanoscale Technologies	Nanoscale materials, nanoscale material manufacturing processes, metrology at the nanoscale and integrating nanoscale technologies into new products and processes
Materials	Structural materials, functional materials, multi-functional materials or bio-materials
Biosciences – Industrial Biotechnology	Biocatalysis, enzymes, fermentation, bioenergy, biofuels, biomass, biorefinery, high value chemicals
Biosciences - Nutrition	Bioactives, nutraceuticals, processing, nutrient quality, food safety including diagnostics, fat, salt sugar reduction and replacement

Biosciences - 'omics	High throughput sequencing, array technologies, bioinformatics, genomics, proteomics, metabolomics, epigenetics, biomarker identification and validation
Biosciences - General	Other commercial applications focused on applying or utilising knowledge of living organism function
Healthcare - Medical devices <i>in-vivo</i>	e.g. implants
Healthcare - Medical devices <i>ex-vivo</i>	e.g. imaging equipment, aids and rehabilitation devices
Healthcare - Diagnostics <i>in vivo</i>	e.g. imaging agents etc for use with, for example, MRI, PET and CT scanners and endoscopes
Healthcare - Diagnostics <i>in vitro</i>	including the use for stratified medicine
Healthcare - Therapeutic Development	Pharmaceutical, biopharma, cell therapy development
Healthcare - E-health/M-health	Health informatics, health patient records, health mobile applications, telehealth/telecare
Agriculture and Food	Technical and resource efficiency innovation associated with the entire agrifood supply chain, from primary crop and livestock production systems through to point of food purchase by consumers
Manufacturing	Applying leading edge technical knowledge and expertise to the creation of products, production processes and associated services
Engineering	Engineering is the discipline, art, skill, profession, and technology of acquiring and applying scientific, mathematical, economic, social, and practical knowledge, in order to design and build structures, machines, devices, systems, materials and processes.
Environmental Sustainability - Resource Efficiency	Resource extraction, resource/energy efficient production processes; recycling, remanufacturing or re-use; waste management technologies or service-based approaches to reduce resource/energy intensity on a life-cycle basis
Environmental Sustainability - Environmental Technologies	Environmental sensors/monitoring; pollution abatement or control; water treatment or management or other environmental technologies
Environmental Sustainability - General	Other environmental sustainability
Energy Generation and Supply - Fuel Cells & Hydrogen	Conversion of hydrogen or other gases to electricity via chemical cells e.g. development of membranes, fuel cells, hydrogen generation, storage & supply
Energy Generation and Supply - Renewable Energy	Energy from renewable sources e.g. onshore & offshore wind, wave, tidal stream, tidal range, solar PV, solar thermal, hydro, geothermal, bioenergy
Energy Generation and Supply - Nuclear	Nuclear Energy technologies e.g. construction techniques, fuel processing, waste management, testing

Energy Generation and Supply - General	Other energy technologies including carbon abatement, carbon capture & storage, oil and gas extraction & use for energy generation, energy systems management, smart grid, Industrial energy efficiency
Built Environment - Low Impact Buildings	Components and materials, design for future climate, building performance, build process
Built Environment - General	Other built environment
Transport - Aerospace	
Transport - Road - Low Carbon Vehicles	
Transport - Road - other	
Transport - Marine	
Transport - Rail	
Transport - Integrated Transport	
Space Technologies	Space based technologies and satellite hardware, software or applications, including satnav, satcomms or earth observation based services
General	Any innovation not covered in any of the categories listed above

10. Declaration

These are the final questions you must answer before submitting your application.

Have you previously applied to any Innovate UK competitions?	Please select yes or no.
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<p>Have you already arranged funding for your contribution to the project?</p>	<p>Before you can start your project, you will need to have funding arranged to manage the cash flow of the project and cover your contribution.</p> <p>Absence of immediately available funding does not jeopardise your chance of success of being offered a grant, but will affect when your project can start.</p> <p>As we operate the Smart scheme under State aid rules, we are only able to fund a portion of your eligible project costs. It is important that you have access to other funding to manage the rest, and we will need to be assured that you have secured this other source of funding before you can start your project.</p> <p>We also need to understand when you are likely to be making claims so that we can plan our cash flow to meet our share of your costs.</p> <p>If you select YES, we will ask you to tell us the main source of funding you will be using for your contribution. This could be one of the following:</p> <ul style="list-style-type: none"> • Existing business funds (e.g. cash in bank) • Future business cash flow • Further investment from existing investor(s) (committed) • New investors (committed) • Bank loan or overdraft (agreed) <p>If you select NO and have not yet arranged funding for your contribution, we will ask you to tell us where you are likely to look for this. This could be one of the following:</p> <ul style="list-style-type: none"> • Further investment from existing investor(s) (not yet committed) • New investors (not yet committed) • Bank loan or overdraft (not yet agreed) • Other <p>We will also ask how long you think this might take.</p>
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<p>If successful, are you ready to start your project?</p>	<p>This question seeks to establish, should your application be successful, how ready you are to start your project on the date you have stated, as there are a number of things that you need to have in place.</p> <p>As we operate the Smart scheme under State aid rules, we are only able to fund a portion of your eligible project costs, so it is important that you have access to other funding to manage the rest and we will need to be assured that you have secured this other source of funding before you can start your project.</p> <p>If you answer YES, then you are confirming that:</p> <ul style="list-style-type: none"> • if you are applying as a company, your company is registered and active and • you have the resources you need to start work and • you have your funding in place and • you have a business bank account <p>If you answer NO, this means that you may:</p> <ul style="list-style-type: none"> • need to register your business as a company, or • make your dormant company active or • need more time to organise the resources you need or • have to set up a business bank account or • still need to arrange your part of the funding <p>If you are not certain when you will be able to start, we need to know how long you may need so that we can manage our finances. We have published dates for each Round when we will send you notification of the outcome of your application. The application form will ask to estimate how long you might need following this notification should you be successful. The options are:</p> <ul style="list-style-type: none"> • Less than 1 month • Between 2 and 3 months • Between 4 and 6 months • More than 6 months
<p>In order to offer further opportunities for government support we reserve the right to pass your details on to other government agencies</p>	<p>You must agree to this in order to submit your application. If there is other suitable support available to your organisation we would like to be able to inform you about this.</p>
<p>Business Declarations</p>	<p>Please answer the three questions about you and your business by selecting yes, no or don't know.</p> <p>For further information please click on this link: https://competitions.innovateuk.org/AllUsers/Declaration.aspx</p>

Terms & Conditions	You must agree to accept the terms & conditions stated in order to submit your application.
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11. Eligible Costs

Innovate UK is prepared to support certain eligible costs related to a project. The cost estimate must include the costs for the total project, i.e. for all activities in the project. Details of the eligible costs are now available in a separate guidance document on the Smart section of the competitions website, available by clicking here

<https://interact.innovateuk.org/documents/1524978/1866952/Smart+project+costs+-+guidance+for+applicants/672240b4-7bae-449b-b170-ac375acd7a8c>