

Business Incubator Call 2015/16

The space sector is a UK success story, with growth averaging over 8% per annum over the last decade, a turnover in excess of £11bn per annum and ambitious plans to achieve 10% of the global space market by 2030. Much of this growth is anticipated to come from companies using space-derived data or services in a broad range of different sectors (the “downstream”).

This call supports the aims outlined within the space sector’s Innovation and Growth Strategy: Space Growth Action Plan¹, published in 2013, which highlighted the need to grow space in the regions by providing a supportive business environment to assist entrepreneurs to grow and develop small companies. One method of doing this is through expanding support for business incubation centres across the UK.

This call is aimed at business incubation centres who wish to support start-up companies across the breadth of the space sector through providing funded places, providing access to facilities and resources and collaborating on events and initiatives with other business incubators. The overriding aim is to extend the network of business incubators supporting space companies across the UK, deliver an effective national capacity for space company incubation and ensure shared best practice. The call is deliberately flexible to reflect and build upon the varying local offers for business incubation. Applicants should clearly indicate:

- How the funding will be used to help them to support start-up companies
- How the applicant will target start-ups from the space sector
- How many companies will benefit from Agency support
- How the applicant will ensure these companies are appropriately linked into local and national support programmes (including space-specific activities)

We would expect applicants to demonstrate that they provide the following services before they would be considered for grant funding:

- A robust and defined selective application process for incubated companies
- High quality accommodation
- A diverse business support offering including business planning and strategy, IP protection and exploitation, financial management, marketing and market entry strategies
- Strategic opportunities for investor presentations
- Individual coaching and mentoring opportunities
- Incubated companies are engaged in a community both within and external to the centre

It is recommended that where possible applicants should supply letters of support from their Local Enterprise Partnership (England), Devolved Administration (Wales/Scotland/Northern Ireland) or a local University with their application, outlining any alignment that their region’s local plan has to business incubation and local investment.

Successful applicants will be expected to join a self-managed network of incubators focused on sharing best practice and offering value-added support across the network’s members.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298362/jgs-action-plan.pdf

The UK Space Agency is making available £300,000 for this call and a grant of up to £50k will be awarded to each successful applicant. This will be the only call during the financial year 2015/16.

Quarterly reporting on key performance indicators will form part of the contracts with the successful applicants. Grants must be claimed in this financial year and no later than Monday 7 March 2016, banking details will be required prior to the signing of the contracts.

Any questions should be sent to Helen Roberts no later than 17 December 2015 via email helen.roberts@ukspaceagency.bis.gsi.gov.uk and applications **must be** submitted electronically using this application form **no later than 9am Thursday 7 January 2016**. Acknowledgement of receipt of applications will be made via email, if acknowledgement has not been received within 48 hours of submission please contact Helen Roberts.

Applicants will be informed of the judging panel's decision by **Monday 18 January 2016**.

FAQ

State Aid

Where universities/research organisations or other not for profit intermediaries provide publicly funded services to businesses (for example, contract research, incubator services to SMEs or open access research facilities), they can be regarded as a channel for State aid rather than a recipient of it themselves as long as they can show that they are not deriving an undue advantage as intermediaries.

However, successful applicants will need to demonstrate how the benefits received by companies as a result of the UK Space Agency's grant would be compliant with state aid. We anticipate that this will be through the de minimis regulation.

De minimis regulation

A useful approved EU mechanism for State aid is the de minimis regulation, based on the Commission's view that small amounts of aid are unlikely to distort competition.

The De Minimis Regulation allows small amounts of aid – less than €200,000 over 3 rolling years – to be given to an undertaking for a wide range of purposes.

Records of aid granted must be kept and all the rules of the de minimis regulation must be followed.

ESIF Match funding

Our understanding is that the funding provided by the UK Space Agency would be eligible as match against ESIF funded projects.