

## Annex A: Application Guidance and FAQs

### Introduction

1. These Guidance Notes complement the Announcement of Opportunity and are designed to help with completing the Application Form (Annex B); a set of Questions and Answers is also included.
2. Please note the following when completing the Application Form:
  - The templates (Annexes B and C) has been provided and must be used for all proposals. No adjustments to the templates formatting, size, or other parameters are permitted.
  - All sections of the application form (Annex B) are mandatory other than those clearly stated. Should any mandatory sections be omitted, the proposal will be rejected.
  - Should any part of the application exceed the specified page or word limit, only material up to the designated page limit and that is also is in the correct format will be considered.
  - All applications forms must be completed in Arial font, size 11, and submitted as an A4 document in line with the template.
  - Only use acronyms where a term is mentioned frequently throughout the proposal. If you do choose to use an acronym, do not assume that the reader knows what it means, and be sure to define it, bearing in mind that individual sections of the application may be read separately during the selection process.
  - The format in Annex B has been set. The table below identifies each section of the form and any page limits applicable to each. All text should be single-spaced typescript, font Arial, size 11. Information provided outside of the stated application maximum pages for each section will not be considered by the advisory panel when proposals are reviewed and scored.

Section	Description
<b>1. Main details</b> <i>As per template layout</i>	A summary of the main details of the proposal
<b>2. Project Summary</b> <i>Max ½ page</i>	A summary of the proposed project, suitable for public release
<b>3. Company and organisation</b> <i>As per template layout</i>	Detail of all parties involved in the project, including a description of the lead organisation in the proposal
<b>4. UK Benefits</b> <i>Max 4 pages</i>	A description of the anticipated benefits to the UK
<b>5. Commercial and Technical viability</b> <i>Max 8 pages</i>	A description of the commercial and technical viability. To include a description of how your project will assess and develop the technical and commercial feasibility of horizontal spaceport operations.
<b>6. Methodology</b> <i>Max 4 pages</i>	A description of how you will undertake the project
<b>7. Financial and management information</b>	Detail on your projected cost information, management processes, risk mitigations and milestone deliverables

Section	Description
<i>As per template layout</i>	
<b>8. State aid</b> <i>Max 1 page</i>	A statement of the State Aid exemption category you consider applies for your project and an explanation of why it falls into that particular category
<b>9. Declaration</b> <i>As per template layout</i>	Final declaration

### Submission of applications

3. Please note the following information regarding the Horizontal Spaceport Development Fund:

- All applications will be treated in confidence in accordance with the confidentiality section of the Announcement of Opportunity.
- The application process for this funding call requires completion of the Application Form (Annex B) and the Milestone Costs template (Annex C), together with a Cover Letter/Email.

For the avoidance of doubt, we expect each application to include the following:

Document	Mandatory?
Application Form (Annex B)	Yes
Milestone Costs (Annex C)	Yes
Grant Funding Agreement (Annex D)	No – to be submitted only if requesting amendments to the text
Cover Letter/Email	Yes

- Completed application documents must be submitted via email to [spaceflight@ukspaceagency.gov.uk](mailto:spaceflight@ukspaceagency.gov.uk) and include “Horizontal Spaceport Development Fund” in the subject header. Applications must not exceed 10MB and all documents must be attached electronically and submitted on the templates provided. Only applications submitted to this email will be considered.
- If you wish to submit more than one application, each of these must be submitted in separate emails to [spaceflight@ukspaceagency.gov.uk](mailto:spaceflight@ukspaceagency.gov.uk).
- Upon receipt of an application, you will be issued with a receipt note within 1 working day. If you do not receive this, please contact the Spaceflight team. The confirmation email from the UK Space Agency will only acknowledge that your email has been received, it will not provide feedback on its contents.

**It is the project lead organisation’s responsibility to ensure that all required information is complete, is in the requested format and submitted before the closing time and date of 12:00 on 17 July 2019.**

**Applications or documents received after this deadline will not be considered.**

## Frequently Asked Questions (FAQs)

### **Q1. Why provide grant funding?**

The market is not yet mature, and we are trying to stimulate and enable commercial opportunities. Grant funding can help enterprises work together to develop business models and UK-centric approaches they would not have capacity to examine without government support. In order to meet our target to begin commercial spaceflight operations in the early 2020s, we believe firms need to start considering their approaches now.

### **Q2. Which potential spaceports or launch companies should we be working with?**

Applicants do not have to work with any specific spaceport or launch company, although the eventual horizontal launch services offered are expected to be developed in collaboration with UK horizontal spaceports and launch vehicle operators. A number of UK spaceports and launch services are under development and we encourage applicants to consider their potential requirements.

### **Q3. Is the intention to create a single, national horizontal launch provider?**

No. The Government's intent is to enable industry to provide horizontal launch service solutions to meet the requirements of the UK spaceflight sector, which could support multiple spaceports and launch vehicle operators.

### **Q4. Will this influence who receives a licence to launch from the UK?**

No. Licences for the operations of UK spaceports and the carrying out of spaceflight activities from the UK cannot be issued until the supporting regulations have been approved by Parliament.

### **Q5. How do I show that my proposal aligns with the Spaceflight Programme?**

The Announcement of Opportunity for this funding call includes information about the Spaceflight Programme and the UK Space Agency's web site<sup>1</sup>.

### **Q6. What are the market opportunities?**

In 2018, the UK Space Agency commissioned an independent report to assess the potential market for UK small satellite launch services or spaceports. This report<sup>2</sup> was completed by Frost & Sullivan and is available on the UK Space Agency web site.

### **Q7. Is this a UK-only Announcement of Opportunity?**

Yes, this funding opportunity is open to prospective horizontal spaceports in the UK.

All applications must be written in English; all events, meetings etc. throughout the process will take place in the UK or via video-link or telephone conference.

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<sup>1</sup> <https://www.gov.uk/guidance/how-we-are-promoting-and-regulating-spaceflight-from-the-uk>

<sup>2</sup> <https://www.gov.uk/government/publications/evaluation-uk-spaceport-business-case>

**Q8. How many proposals can I submit?**

There is no limit on the number of proposals you may submit but each application must be submitted separately.

**Q9. What is your view on one party being involved in multiple bids?**

There is no limit on the number of proposals a party may be involved in. If you are involved in more than one proposal, it would assist our consideration if you identify any funding requirement that is duplicated in other proposals.

**Q10. Will you only select one proposal to fund?**

We have not set a limit on the number of proposals we may select to fund.

**Q11. What is the maximum amount I can ask for?**

The maximum amount of grant funding is £500k per project and with any financial data submitted in your proposal to be costed in pounds sterling (£).

**Q12. Will you need me to match the grant with my own investment?**

Yes. Applicants must provide a minimum of 25% of the total project cost from their own resources or funding. Put another way, and for the avoidance of doubt, a maximum of 75% of the total project cost can be grant funded.

**Q13. What does the Agency mean by measurable benefits?**

A benefit is the effect the project has on its completion. Deliverables on their own, such as facilities and vehicles, deliver no benefits in themselves; the benefits come from the application of those products and services in the wider environment and the extent to which those contribute to achievement of strategic goals. We anticipate that the outputs of the Spaceflight Programme will enable benefits through the development of commercial services and the wider supply chain through the delivery of a flexible and low-cost range services to support civil spaceflight as well as fostering the growth of new skills and capabilities in the UK's space sector. The successful delivery of the capability should ultimately underpin an increase in the economic performance of the UK through the creation of employment and business opportunities.

We request that proposals describe how their horizontal launch service operations will utilise the wider expertise available in the UK and benefit the UK economy, although at this early stage it may be difficult to quantitatively estimate economic benefits. In particular we request applicants consider:

- i) How you intend the development and operation of your horizontal launch services to generate wider employment and business opportunities.
- ii) Any UK suppliers that will be involved in any aspect of your activity.
- iii) How you will intend to estimate the value of the UK supply chain, jobs and other benefits that will could be created by your service, including your underlying assumptions.

**Q14. If my project fails without showing any benefits, do I have to repay the grant funding?**

No, but all proposals will be assessed for viability and likelihood of success before we decide whether to award grant funding.

**Q15. Is the grant repayable?**

Our intention is that funds will be paid to the Grant Recipient in full against their completed milestones and not require repayment. However, there are exceptional circumstances where we reserve the right to suspend future payment, stop future payment and reclaim part or all of the grant, for example if a condition of grant offer is not met.

**Q16. I want to talk to the press about our proposal, is that permitted?**

Once proposals are submitted we ask that all information on the UK Government's Spaceflight Programme which you may wish to publish is first discussed and cleared with our communications department.

**Q17. Can you offer resource to help me to develop my proposal?**

We are not able to offer financial resource to aid the development of proposals. However, we are happy to answer questions raised to help you to develop your proposal. Information about how to submit a question to the UK Space Agency and the latest date for doing so are covered in the Schedule section of the Announcement of Opportunity.

**Q18. Are there restrictions on when the funding would be made available?**

As stated in the Announcement of Opportunity, payments would be made following successful completion of appropriate milestones. Criteria will be set, linked to each milestone that shows appropriate progress has been made, and we will require evidence to demonstrate this - we therefore expect to provide funding in stages.

All grant funding must complete by 31 March 2020 and we will not release the full amount in one payment.

**Q19. I want to know if my proposal is compliant with State aid legislation. Can you help me?**

Our expectation is that we will provide funding for proposals compliant with the General Block Exemption Regulation<sup>3</sup>. We will also consider proposals that can demonstrate that they are de minimis compatible.

In line with other UK government and European guidance, the emphasis is on the grant recipient to ensure they are compliant with relevant state aid laws. We cannot provide legal advice relating to whether or not your proposal fits within state aid legislation. If state aid is of particular concern you should seek your own independent legal advice before submitting a proposal.

Information and guidance about State aid can be found on GOV.UK<sup>4</sup>; further details and the original EU regulations are available on the EU Commission web site<sup>5</sup>.

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<sup>3</sup> [http://ec.europa.eu/competition/state\\_aid/legislation/block.html#gber](http://ec.europa.eu/competition/state_aid/legislation/block.html#gber)

<sup>4</sup> <https://www.gov.uk/guidance/state-aid>

<sup>5</sup> [http://ec.europa.eu/competition/state\\_aid/overview/index\\_en.html](http://ec.europa.eu/competition/state_aid/overview/index_en.html)

**Q20. The formatting and page limits stipulated in the Application Guidance means I cannot include all of the information I wish to in my proposal. Will supplementary information, such as Annexes, be considered?**

No. Only the information contained within the page limits will be considered by the independent panel when scoring proposals. This is to ensure a common standard of proposals across all bids, and that our independent panel can evaluate all relevant information in a consistent manner. Any additional information submitted will not be used to evaluate any proposal against any criteria.

**Q21. Could a company registered outside of the UK receive funding?**

A company registered outside of the UK may receive funding. However, the deliverables developed during the projects are expected to be developed in collaboration with UK horizontal spaceports, operators and launch vehicle operators.

**Q22. Should Project Costs include VAT?**

Grant funding milestones will be paid without VAT added to the invoices. The amount specified in the Grant Funding Agreement is the total amount payable by the UK Space Agency, and no additional amount will be added for any VAT that the grant recipients have to pay to HMRC. It is the responsibility of any grant recipient to ascertain its VAT position and ensure compliance.

**Q23. If the UK Space Agency provides a grant award, how will the payment milestones be set?**

Your proposal should include a clear, achievable milestone plan with the tangible deliverables and outputs clearly defined and the cost against each milestone. The milestone plan will then be agreed with the UK Space Agency and the grant recipient upon signing the final grant agreement.

Payments will be released upon evidenced, successful delivery of each of the milestones. Payment cannot be provided in advance of need.

**Q24. Will you consider paying grants to separate parties or companies as part of one proposal?**

No. As stated in the Announcement of Opportunity document, for all projects, whether the application is being submitted as part of a consortium, or an individual organisation, there must be a single lead organisation. Grant funding will only be awarded to one lead organisation. That organisation will be responsible for disseminating any funding to other parties and will be solely accountable to the UK Space Agency for the use of grant funds.

**Q25. Must the bidding party be the recipient of grant funding?**

Yes. As stated in the Announcement of Opportunity document, there must be a single lead organisation. Grant funding will only be awarded to this lead organisation and they will be responsible for disseminating any funding to other parties.

All parties that will receive funding must be clearly identified in your proposal. In the event of a successful bid, we anticipate working closely with all named participants of the project, as stated in the application form, when agreeing the Grant Funding Agreement and throughout the project.

**Q26. How will projects be managed by the UK Space Agency?**

Projects will be managed the same way as all other UK Space Agency projects: payment of funds will be based around achieving key milestones. You will be expected to attend regular meetings with us to report progress and review the project, and also to keep us updated on the project using an established reporting format. This will be a mandatory process for all grants awarded.

**Q27. Will teams receive a proportion of the grant funding at the start of the project kick-off?**

No. The UK Space Agency will not pay any funds in advance of need. Invoices can only be paid on proof of work done following a formal milestone review.

**Q28. Will additional funding be made available to grant recipients later in the project if they discover they need more money?**

The grant funding agreement will specify the total grant award to be paid, the terms and conditions around the grant that is offered, and the payment milestones to be delivered. We do not anticipate increasing any grant awards whilst the projects are underway.

**Q29. What format will the grant agreement take for any funded proposals, and can I adapt this to suit my proposal?**

We have provided a copy of our standard grant funding agreement. This is the document that will be used as the formal mechanism for any successful bidders to receive grant funding. Applicants are required to accept the main terms of this grant funding agreement when submitting your application.

Applicants requesting changes to the agreement are required to submit a marked-up copy of the published grant funding agreement setting out the proposed variations, along with a justification for any amendment to the standard grant funding agreement terms. Please be aware that the UK Space Agency will only consider variations which are requested where the Applicant would be in breach of legal requirements or statutory regulations by complying with the clause, or series of clauses.

**Q30. When will you provide more information on your regulatory requirements?**

The Space Industry Act 2018 received Royal Assent on 15 March 2018. The Department for Transport, Civil Aviation Authority and UK Space Agency are engaging with industry to inform the development of the secondary legislation.

**Q31. Please can you confirm the size of the paper to be used in any submissions?**

All proposals must be submitted electronically on the template provided, in line with the Application Form (Annex B). Should applications not adhere to page limitations or other mandatory criteria, the UK Space Agency may refuse your application.

**Q32. Is a smaller font size acceptable in graphics (e.g. schedules, tabular data in tables, and diagram callouts) in order to maximize readability?**

No. The font size limit of Arial size 11 must apply throughout. Should applications not adhere to font sizes or other mandatory criteria, the UK Space Agency may refuse your application.

**Q33. What happens if I don't submit a proposal?**

If you do not submit a proposal, then you will not be considered for grant funding under this call.

**Q34. Will there be another funding opportunity after this one?**

The government will evaluate if any future support is necessary. Prospective UK horizontal spaceports that do not participate in this call will still be eligible to apply for any potential future initiatives.

**Q35. Who will be on the assessment panel?**

The panel will comprise a selection of independent professionals selected for their relevant expertise and experience. This may include representatives from government, industry and academia.

**Q36. If I need to ask a question, how do I do that?**

The UKSA Spaceflight Programme team can be contacted by email at [Spaceflight@UKSpaceAgency.gov.uk](mailto:Spaceflight@UKSpaceAgency.gov.uk). The email must include "Horizontal Spaceport Development Fund" in the subject header

We are happy to respond to any clarification questions which participants raise via email to that address.

The deadline for submitting any questions relating to this Announcement of Opportunity is 12:00 (BST) on 28 June 2019. After this date, no further questions will be considered.