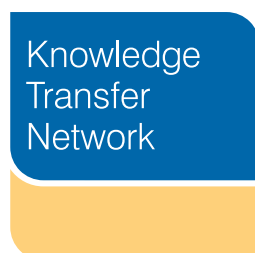




▶ **What is an assessor
looking for?**

A Short Guidebook
for Innovate UK
Competition Applicants



Innovate UK
Technology Strategy Board



What an assessor is looking for...

This short guide aims to make clear what an assessor for Innovate UK competitions is looking for. All of the Innovate UK funding programmes follow a similar pattern and you should bear in mind that the questions are designed to help rather than trip you up. It is important that you answer the questions asked and cover all aspects the Guidance for Applicants describes. You should try to use the language they are looking for: the easier you make it for the assessor to understand and check off the information they seek, the more likely the proposal will score highly.

The guidance that follows is for the standard 10 questions in a SMART Proof of Concept or Development of Prototype application but the same approach is largely transferable to all competitions.

General Advice

Generally the first four questions should be used to describe the business plan relating to the project and the remaining six to detail the proposed project and how that fits within the business plan. Avoid starting off by trying to explain how great your idea is or how clever the technology is. The first part is about setting the context for the market need and how that will be addressed and this must be laid out in as compelling and logical a way as possible. In essence, these questions are for the assessor to address the four fundamental questions for any Innovate UK investment:

- ▶ 1. Is it a big enough market? Does it represent value for money compared to the investment requested?
- ▶ 2. Can the innovation be world leading? Is the idea sufficiently distinctive and strong to be successfully exploited in the UK?
- ▶ 3. Is it at the right stage of development? It must be market driven, rather than predominantly a research project.
- ▶ 4. Why should we use public money to help? What additionality over and above the normal course of business will be achieved?



Q1. Business opportunity

Above all, the assessor is looking to understand the need and customer demand. What is the problem you are addressing? Is it a credible business opportunity? This must be laid out first before you begin to describe your idea. Poor responses talk too much about the solution without first describing the issue. An ideal response explains why that market need exists (what is driving it) and what is required to meet it before describing how it will be addressed. This robust linkage between your proposed solution and its commercial outcomes must be spelt out. As this is the first question, the opening sentences are particularly important, and need to make it crystal clear to the assessor what the need is and what they will be reading about.

Q3. Exploitation

This question is focused on how you will make money from the idea – i.e. the heart of your business plan, placed in the context of the market opportunity (Q1) and market size (Q2). Here it is important to emphasize what the expected outputs of the project will be that can be exploited, and how they will be exploited: your sales/service model and plans. These need to appear credible to the assessor and the projections for growth and market share must be robust and on a realistic timescale. Essentially, the detail you provide here is supporting your claims of market capture in Q2 and the assessor is trying to establish whether it is likely to succeed. A badly defined market opportunity can often come undone at this point, with the assessor wary that your proposed project is more ‘technology push’ than ‘market pull’.

Q2. The market

The assessor is looking to see whether you understand the potential market for your project. The nature of the market you describe must relate to the need you described in Q1. The best responses use current market data references (try to avoid wildly optimistic projections!) and describe the wider picture before focusing on the market share expected for your solution. The dynamics of the market are also important:

- Is it growing?
- How fast?
- What trends affect it?
- What is the competition?
- What are the barriers to entry?

Once this has been made clear, you must outline your strategy to access the market. The assessor wants to see if this is realistic. If you cannot explain how your product will be made or who will retail it, you will be marked down. Don't claim too much – the assessor knows what is possible and as far as return on investment is concerned, wants to see if the investment of public funding is value for money. The KTN has a tool available to help estimate return on investment expressed in GVA terms: **For more information, contact** claire.claessen@ktn-uk.org.

Q4. Benefits

Here you are describing benefits for the project partners, but also outside the project. The applications that do well go beyond restating the commercial benefits of the idea, and also emphasize the ways in which others might benefit. Given that these are public funds, it is important to demonstrate that the project will be helping more than just the proposer. You must provide benefits in all categories and explain how these can be achieved by your business strategy. These are likely to include:

Economic: To your customers, your supply chains and the broader sector – perhaps through exports, raised visibility of the sector or competitiveness of the UK.

Social: These can include regional benefits, in terms of local employment and cluster growth; customer benefits in terms of quality of life, education, empowerment etc; employee benefits such as safer working environment, skill development etc.

Environmental: This can cover emissions (to air, water and ground), raw material consumption (including water), energy efficiency, biodiversity, waste avoidance, recycling, or more sustainable business models or consumer behaviour.

In all cases, don't ignore the potential negative impacts. These should be detailed and their mitigation/minimisation described or justified. If the assessor judges that your project is potentially damaging, and that you haven't considered this, it will score very low.

Innovate UK have developed a practical tool that can help develop your thinking around this question: <http://horizons.innovateuk.org/>.

Q5. Project Plan

It is important to explain what you will do in the project – i.e. how you will address the critical success factors described in Q1. The assessor wants to understand the technical approach and although they tend to be knowledgeable in your sector, you should not assume familiarity with all the technical aspects. Avoid jargon and acronyms and break down the project into key work packages and milestones.

The project is best summarised in a gantt chart (included as an appendix – this is mandatory for SMART and allowable for second stage CR&D competitions) and each task explained. Provide an appropriate level of detail – a handful of tasks is too little, but breaking down every week is too much. The tasks should be clear on resource allocation, cost and interdependency with other tasks.

This response shouldn't be treated any differently to most internal project plans. The assessor is looking to see if the plan is realistic, whether there is sufficient resource (and where it is coming from) and if management will be an issue. Make clear the reporting lines, especially with multiple sub-contracts or partners. The assessor is looking to see if the plan will achieve on the project objectives and will have considerable project management experience so make sure it is clear and all adds up!

Q6. Innovation

To score highly, the project needs to display technical (pushing the boundaries of a technology or applying it to a new problem) AND commercial (addressing a need in a novel way) innovation. Make it explicit to the assessor how your project does both of these and use language to make the innovation easy to identify. The assessor will be looking to see if the innovation levels are step-change – i.e. radically different rather than an incremental improvement.

Without making wild, unsubstantiated claims, you need to make sure that your idea is genuinely novel and that it doesn't come across as too incremental or inconsequential. The assessor is also interested in understanding if the innovation can be enabling and underpinning, i.e. does it have the potential to drive improvements in multiple applications across a wide scope.

Q7. Risks

First of all, risk is not a bad thing! For a radically innovative project, risk is likely to be high and Innovate UK appreciates this. Rating risk overall as low will mark down your score – the question arises why you need public support to de-risk the project if it is already low risk. Secondly, ensure you undertake a complete risk assessment across all the categories listed. Many proposals ignore or give scant attention to commercial and environmental risks and are marked down because of it. You must describe mitigation strategies for each identified risk (and rate each one). This is not about coming up with reasons for why this risk isn't a problem, but rather a strategy you will follow to minimise and control the risk. Best practice is to provide a table with the headings: Risk, Rating, Impact, and Mitigation. Commercial risks may include losing partners/sub-contractors, staff, changes in market or raw materials costs etc. Environmental risks could include generation of new waste streams or emissions, increased energy use or demand from users.

Q8. Skills / Project consortium

The assessor wants to understand if the project partners have the skills, experience, resource and facilities to carry out the project AND exploit the results themselves. Many projects fall down here on the route to market aspect and don't demonstrate that they have engaged likely customers or manufacturers. The assessor wants evidence to give them confidence the project will proceed as described and will be likely to deliver the intended outcomes after the project has ended (projections in Q3). One aspect here is why a sub-contractor or partner has been included – what value are they bringing, and is it core to the delivery of the project?

Q10. Additionality

This question is simpler than it used to be. Essentially you are explaining why public money should be used on your project. Ideally by now you will have described such a compelling and exciting project that you yourself will start to wonder why it even needs public help! So, you need to explain why you can't afford it, and then show why commercial finance isn't available. The kind of answer that assessors are looking for here usually relates to risk: i.e. It is too risky for commercial investors, hence Innovate UK funds could help to get through this stage of development. Other important factors include: reducing the time to market in order to get there ahead of competitors, to increase the amount of R&D taking place in the UK, or to facilitate a new R&D collaboration.

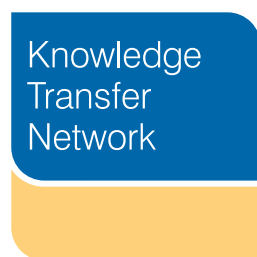
Q9. Finances

The assessor is judging value for money in this response, and they will scrutinise the compulsory finances form. Take time and care with this and ensure costs are in the right sections, e.g. don't put capital equipment in materials. Make sure the resource allocation in the project plan match the labour costs. Overheads need to be realistic – too low is as bad as too high. Don't be vague with descriptions of costs. The assessor will be asking the following key questions: Is the budget right for the size and complexity of project described? Is it in line with the project plan? You should also make clear where the commitment for the balance of the project costs is coming from. Use the response to address this and explain the costs in the form, particularly if they are high. The finances form (which is an excel workbook) should be distinct from the section.

Appendices

Use these carefully. Assessors don't want pages and pages of back-up data or technical jargon. Appendices shouldn't simply be longer responses to the preceding questions, but rather be used to provide graphic summaries. Note the limits for appendices – assessors are instructed not to consider anything that goes beyond these. The best appendices contain graphical data supporting the market description and return on investment assumptions in the early questions (Q1 & 2), a neat Gantt chart of the project timelines (Q5), perhaps an organogram showing reporting lines (Q5), any diagrams that explain the technical innovation so an assessor can more easily understand the concept (Q5 & 6), a full risk assessment table (Q7) and brief biographies of all partners (Q8).

This guidebook was produced by the KTN.
For more information please visit: www.ktn-uk.org



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