Science and Technology Facilities Council

Higgs Centre for Innovation

Higgs BIC Application

Instructions to Applicants

Please insert information as requested and **remove all blue text including parentheses before submitting the document.**

In sections 2 and 3 you will find "writing tips". Please use these as guidelines. Before editing, we recommend that you skim-read the whole template to help you avoid duplicating content.

Please do not amend the margins or change or reduce the font size (Calibri 11 pt). Applications with a reduced font size or changed margin will not be considered.

1. Cover Letter and Requirement Checklist

Application Title:	
Version Number:	
Reference:	(e.g. – Company name/year/Q)
Date:	Date of submission DD/MMMM/YYYY

Applicant Company Name:	(same as on Companies House)
Individual Contact Name:	
Company Registered Number:	
VAT Registration Number:	
Correspondence Address:	
Invoice Address:	
Email Address:	
Website:	

Dear Higgs BIC Manager,

In response to the Call for Proposals for Business Incubation issued by STFC, we are pleased to submit our proposal to host COMPANY NAME in the Higgs Business Incubation Centre (Higgs BIC).

The funding for Business Incubation will be offered by STFC as a Minimal Financial Assistance (MFA) subsidy under section 37(2) of the Subsidy Control Act 2022, subject to your Higgs BIC Contract and compliance with the Requirements of this letter.

Any queries relevant to the proposal are to be addressed to the attention of:

Name:	
Phone number:	
Email address:	

Contact information of the person(s) who will be in charge of the day-to-day management:

Name: _____

Phone number: _____

Email address: _____

Contact information of the legal representative who will be in charge of signing the contract:

Name: _____

Phone number: _____

Email address: _____

By signing this application, I declare that

- My application is compliant to the Higgs BIC Requirements (Section 1.1).
- The applicant company has not received MFA subsidies in excess of the MFA threshold (£315,000) as specified in section36(1) of the Subsidy Control Act 2022 and that all details of MFA subsidies received in the defined time period have been declared at Section 1.2 of this application.

- I give full consent to the Data Protection statement (section 1.3).

- All members of the working team have the right to work within the UK and a valid form of Identification. If you are selected to attend the Tender Evaluation Board (TEB) you will be required to provide a copy of your ID / Right to work in the UK at the TEB.
- The applicant company has all relevant IP rights, with evidence provided in the application form.

Insert Applicant(s) Name(s), Title(s), and Signature(s), representing a majority of shares in the (intended) company, as per Companies House registration. Add or delete tables as appropriate.

Name	% of Shares	Person with Significant Control
	%	☐
	%	☐
	%	☐

Signature: _____

Name and Title: _____

On this place and date: _____

Signature: _____

Name and Title: _____

On this place and date: _____

Signature: _____

Name and Title: _____

On this place and date: _____

1.1. Higgs BIC Requirements

To make an application to the Higgs BIC, the applicant declares that the following statements are all true:

Start-up status and activities

- The applicant is an existing start-up, registered in the UK with Companies House OR has not yet formed a company but plans on registering a new company in the UK before the start of the Higgs BIC programme.
- If the applicant is an existing start-up:
    - The applicant's first registration at Companies House took place no longer than 5 years prior to submission of applicant's proposal.
    - More than half of the company's shares are owned – either directly or indirectly – by the applicant and/or company staff and advisors (i.e. not by institutional investors).
    - This application is fully endorsed by authorised representatives who collectively own a majority of the company's shares.
    - The company falls into the UK definition of an SME.
- If the applicant has not yet registered a company:
    - More than half of the shares of the new company will be owned by the applicant and/or company staff and advisors (i.e. not by institutional investors).
    - This application is fully endorsed by individuals who will collectively own a majority of the company's shares.
- The company does not or will not conduct business activities promoting, or being related to, alcohol abuse, tobacco consumption and vaping, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.
- The company does not or will not provide consultancy as the main business activity.
- The company will not take part in other business incubators, accelerators, or similar support programmes, for the duration of any incubation without the prior agreement of the Higgs BIC.

Engagement with the Higgs BIC

- The applicant is required to enter into an incubation contract with UKRI to receive support under the Higgs BIC programme.
- The applicant agrees to lease a physical space (e.g., desk, office, lab) at the Higgs BIC incubator facilities at Daresbury Laboratory, noting that incubation funding could be used to fund rental costs.
- The applicant agrees to be an active member of the Higgs BIC, Higgs Tech Cluster and Daresbury communities (e.g. attend mandatory workshops and events, contribute to the community and have a regular presence in the office/lab) and attend relevant events at the request of the Higgs BIC.

Financial and contractual

- The maximum amount of MFA offered is £70,000, comprising £50,000 in grant funding and up to £20,000 support in kind, depending on the support requested.
- The applicant accepts that information provided in this application will form the basis of any funding granted. Any changes in this information provided must be disclosed immediately and are subject to approval which may affect the funding decision.

- The terms and conditions of the Higgs BIC Incubation Contract and the rental agreement cannot be negotiated and must be accepted as written.
- The Funding is granted in net amounts (not including VAT).

Team

- All key personnel under the incubation contract have all the relevant working permits for the duration of the incubation contract.
- The applicant(s) shall provide a copy of an official identity document (passport or similar) with this application for each person signing the application. If applicable, a copy of relevant working permits and visas shall also be provided. (Applicants will be required to present documents at TEB, if invited to present.)
- The applicant is able to communicate in English (Common European Framework of Reference for Languages (CEFR) level B2 or higher).

Commitments

- The Science and Technology Facilities Council (STFC) are committed to equality, diversity, and inclusion (EDI) in all aspects of their work. Our collective goal is to create an inclusive environment where everyone is respected and valued, and where everyone has the opportunity to reach their full potential.
- STFC is seeking to support companies who have considered the environmental impact of their product development and distribution models, who have a clear roadmap for sustainability.

1.1. Declaration of Minimal Financial Assistance (MFA)

In view of the fact that the Applicant wishes to enter into a Higgs BIC Incubation Contract;

In view of the fact that all cash funding (£50,000) and support in kind provided under a Higgs BIC Incubation Contract (up to an additional £20,000, £10,000 innovation voucher redeemable with any Catapult, University, or Research and Technology Organisation, and £10,000 in in-kind support, depending on length of incubation and services accessed) constitutes MFA subsidy under the Subsidy Control Act 2022;

In view of the fact that the Applicant can receive MFA up to the threshold of £315,000 cumulated over

a) the elapsed part of the current financial year, and
b) the two financial years immediately preceding the current financial year.

In pursuant to Section 36(1) under the Subsidy Control Act 2022, the Applicant states the following:

I hereby declare, on behalf of the Applicant, that receipt of MFA subsidy from the Higgs BIC Incubation Contract will not exceed the Applicant MFA threshold (£315,000) as specified in section 36(1) of the Subsidy Control Act 2022.

I hereby declare, on behalf of the Applicant, the following MFA subsidies (gross value) received by the Applicant in the current financial year, and the two financial years immediately preceding the current financial year (please add further entries as appropriate) are:

1- Date or period of MFA subsidy received: .....
Name of entity providing subsidy: .....
Name of Subsidy Scheme: .....
Total amount of MFA subsidy 1 in GBP (£): .....

2- Date or period of MFA subsidy received: .....
Name of entity providing subsidy: .....
Name of Subsidy Scheme: .....
Total amount of MFA subsidy 2 in GBP (£): .....

3- Date or period of MFA subsidy received: .....
Name of entity providing subsidy: .....
Name of Subsidy Scheme: .....
Total amount of MFA subsidy 3 in GBP (£): .....

Furthermore, I undertake to inform STFC in writing of any MFA subsidy received after the date of signature of this declaration until completion of envisaged Higgs BIC Incubation Contract.

You are advised that written record must be kept for at least three years beginning with the date on which the MFA was given. This will enable you to respond to future requests from public authorities on how much MFA you have received and whether you have reached the cumulative threshold.

1.2. Data Protection

The information that you provide, including personal data, will be used by Science and Technology Facilities Council (STFC) for the following purpose. Your data will be used to:

- Select companies to join the Higgs BIC incubation programme.
- Communicate to applicants the outcomes of this selection process.
- Share with you details of relevant support programmes provided by STFC and other Public Authorities.
- Communicate with successful applicants to schedule meetings prior to joining the Higgs BIC programme.

The information you share will be processed by the Higgs BIC funders and partners and third-party expert judges who are under NDA with the Higgs BIC funders. Your information will not be published in any way.

All data shared with the Higgs BIC funders will be deleted by them after the application process has completed and no later than 3 months after the expression of interest deadline.

The lawful basis for processing your information is Public Task and further details on how STFC (part of UKRI) process your personal data, the UKRI Data Protection Privacy Notice can found here.

2. Business Plan

Please insert information as requested and **remove all blue text including parentheses before submitting the document.**

The maximum size of this Business Plan is **15** pages total:

- The core section should not exceed **10** pages.
- Any annexes you chose to add should only be informative (e.g. Letters of Support). Additional commercial / technical data should not be included in the annexes.

2.1. Elevator Pitch

This section should be a maximum of **0.5** pages.

Note: Focus on the most important and relevant information only. Consider writing this section last and approaching it as a summary of your application.

Describe in simple words:

- What is the customer problem or need you are addressing?
- How will you address this problem or need? How innovative is your solution?
- What is the commercial opportunity you're targeting? How will you make money?
- Why can you seize this opportunity better than other companies, including your customers?
- What is your short- and long-term vision for your company and how would incubation at the Higgs BIC help you achieve that vision?

2.2. Team

This section should be a maximum of **1** page.

Provide a brief overview of the founders and core team members (under 1 page). Describe their relevant skills and experience for both technical and commercial matters. If the team does not have certain relevant skill sets, explain how you will acquire them. The description of the team can include key delivery partners e.g., outsourced developers or R&D consultants.

2.3. Value Proposition

This section should be a maximum of **2** pages.

Customer Need

Describe in simple terms the challenge that you are seeking to address, as well as your target customers and what their relevant problems are. Strong applications will include specific target customer segments or profiles, and clearly identify any intermediaries as well as the end customers.

Your Solution

Describe in simple terms how your product, service or process solves this problem and satisfies the needs of your target customers. Describe briefly how your customers would use your solution in practice.

Clearly describe the benefits of your solution. These benefits may be quantified in terms of end-user outcomes, or financial or operational outcomes such as cost, profit, time, risk etc.

Identify your unique selling point, i.e. why your solution is more attractive to your customers vs existing solutions (without describing in-depth competitors - see section 2.4).

Tell us about the level of innovation involved in your solution – will it produce an incremental or a significant improvement on existing solutions, or is it a transformative technology for your target market and possibly beyond?

Briefly, what are the critical elements of Intellectual Property Rights (IPR) involved in your solution, how is this IPR being used by the business (e.g., wholly-owned or licensed) and how is it protected today?

Traction to-date

Describe what traction has already been achieved with customers or other end users, or supporters of your business, i.e. what you have achieved that shows interest in your product, process or service.

For example, for customers this may include Letters of Support / Intent, field trials, pre-orders or orders, collaborations on product/service design, etc.

Support entities may include Universities, Research Councils, Industry Bodies and Associations, or industry experts. Evidence of traction may include Letters of Support, provision of consultancy, advice or resources, collaborations on development activities or joint funding applications, etc.

2.4. Market Analysis

This section should be a maximum of **2** pages.

Market Opportunity and Trends

Describe the primary market that you are targeting for your product, process or service, including the sector, scale and high-level trends e.g., growth rate. Focus where possible on the specific market segment(s) you will operate in, rather than the general, overall market. e.g.,

- Market type - potential, emerging, growing, mature or declining
- Geographic location
- Regulation and market control
- Expected development over the next 5-10 years

Describe the barriers to entering this market – either for you or for your potential competitors. This could include regulation, costs, competition (e.g., existing monopolies), technical know-how, etc.

Evaluate the financial opportunity in your market – what is your serviceable available market and what is the market you believe you can obtain? Where possible, quantify the value of this market opportunity and cite evidence for your reasoning (e.g., 3rd party market reports, your own market analysis).

Tell us about how scalable your business is including its potential to grow internationally or diversify into other markets.

Competitors and Your Advantage

Describe your competitors or substitutes in your target market(s). Where possible, include details on the number of competitors in the market and their market shares / how big they are – i.e. how concentrated or fragmented the market is.

Identify your main direct competitors or substitutes and describe how you compare to them. One way of describing this may be via a comparison table of the key attributes of your solution vs competitor solutions (e.g., price, speed, reliability, efficacy, etc.). Strong applications will describe your competitive advantage through the eyes of your customer / end-user and will quantify the benefits your solution confers vs competitors (e.g., cheaper, faster, more reliable, etc.).

2.5. Go to Market

This section should be a maximum of **1.5** pages.

Customer Offering

Describe how you present or expect to present your product / service / process externally to the market and how your customer buys it (e.g., is it / will it be purchased, licensed perpetually, licensed by subscription, etc.). Indicate whether your offering is or will be packaged with other products / services / processes, or is / will be reliant on the customer having made other purchases in the past (e.g., of specific equipment).

Give an overview of your current or expected pricing approach (e.g., value-based, costs plus margin, etc.), your price point and how it relates to other offerings on the market. If you have data to support your approach and price point (e.g., market research), describe this briefly.

Marketing, Sales & Support

Describe how you will generate demand for your product / service / process. This may include direct sales and account management, PR, advertising and various other types of marketing (e.g., acquisition, content, digital, search engine, email, referral, brand, partnership).

Detail how your customer buys or will buy your product / service / process, including the channels through which they buy (e.g., retail, wholesale, direct to consumer, business to business), whether they buy direct from you or through resellers or intermediaries, and whether sales are one-off or recurring. Describe any broad trends that affect sales e.g., annual sales cycles, need for after-sales support, etc.

Briefly describe how you expect your company will need to change to meet your growth targets (e.g., increased marketing budgets, larger direct sales or account management teams, larger technical support teams, etc.).

2.6. Financial Projections & Financing

This section should be a maximum of **2** pages.

Please complete the below profit and loss table, editing the revenue lines to denote specific sources of revenue and noting that all costs should be entered as negative numbers.

Please note: grant income is not revenue and should not feature in your P&L, rather in your cashflow.

For a basic explanation on P&L completion see: Profit and Loss Account explained | Start Up Loans

Profit & Loss

	Year 1	Year 2	Year 3
Revenues			
Revenue stream 1			
Revenue stream 2 (add more rows if required)			
Total Net Revenue	£ -	£ -	£ -
Cost of Goods Sold (enter a negative number)			
Gross Profit	£ -	£ -	£ -
Expenses (enter all as negative numbers)			
Salaries, Benefits & Wages			
R&D			
IT			
Marketing, Advertising & Promotion			
Insurance			
Legal			
Rent			
Utilities & Telecoms			
Travel & Subsistence			
Maintenance			
Office Supplies			
Other Expense 1			
Other Expense 2			
Total Expenses	£ -	£ -	£ -
EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortisation)	£ -	£ -	£ -
Depreciation & Amortisation (negative number)			
EBIT (Earnings Before Interest & Taxes)	£ -	£ -	£ -
Interest Expense (negative number)			
Income Taxes (negative number)			
Net Earnings	£ -	£ -	£ -

Describe the key assumptions that underpin this projection (e.g., sales volumes growth, experience curve and cost curves, volume discounts, etc.). Tell us about any operational constraints or issues you see in delivering your growth plan e.g., scaling-up manufacturing.

Cashflow and Financing

Complete the below simplified quarterly Cashflow forecast table. Add labels for Receipt and Payment Types that are suitable for your start-up. Receipts could include sales, debt drawdown, grant funding, private investment, etc. Payments should be entered as negative values and could include suppliers, payroll, legal, rent, capital expenditure, loan payments, etc. Please begin the forecast in the first quarter of your intended incubation period at the Higgs BIC.

	Year 1					Year 2					Year 3				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
OPENING BALANCE															
RECEIPTS															
Receipt type 1															
Receipt type 2															
Receipt type 3															
Receipt type 4															
...															
TOTAL RECEIPTS	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
PAYMENTS (negative)															
Payment type 1															
Payment type 2															
Payment type 3															
Payment type 4															
...															
TOTAL PAYMENTS	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
NET CASH FLOWS	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
CLOSING BALANCE	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -

Describe the financing you will seek to fund your business during your incubation period and over the next 3 years. This may include private equity, debt, grants and revenues. Describe how the timeline of these financing rounds tie into your growth plan and how you plan to fund any losses during this period.

In particular, describe how you will finance the business and its activities during the incubation period to ensure you can deliver your incubation proposal.

Note: Your BIC grant is paid in three phases and your closing balance cannot be negative. For a basic explanation of cashflow forecasts please see: How to create a cash flow forecast in 4 steps | British Business Bank

2.7. Risk

This section should be a maximum of 1 page.

SWOT Analysis

Please provide a SWOT analysis for your company and plans. Enter information into the SWOT table below.

Fig. #: SWOT Analysis

	Positive	Negative
Internal	**Strengths**	**Weaknesses**
External	**Opportunities**	**Threats**

Risk Analysis

Please provide a list of the most important risks involved when setting up and growing your business in the incubation phase and beyond, their likelihood, and mitigation actions. Include both technical and commercial/business risks. Enter information into the Risk table below.

N.B. The lower the maturity of the technology or business, the more important it is that risks and mitigating actions are well described.

Fig. #: Risk Analysis

Risk	Impact (e.g. Cost, Schedule, Technical)	Likelihood (L/M/H)	Severity (L/M/H)	Risk Magnitude (L/M/H)	Mitigation plan	Cost of mitigation (L/M/H)
		Colour Red, Amber, Green. Indicate low/moderate/high				

3. Incubation Plan

Please limit this Incubation Proposal to maximum **5** pages total

3.1. Technology

Technology Readiness Level and Research & Development strategy

Please describe the current Technology Readiness Level for your overall product / service / process. Briefly detail the main elements, systems or sub-components that make up your offering (up to 5) and their individual readiness levels.

Provide a high-level overview of the main technology development tasks you will pursue to bring your product / service / process closer to market and who will perform these tasks (e.g., in-house, by third party contractors, both). Describe briefly which tasks will be progressed during the Higgs BIC incubation. Please state the Technology Readiness Level you hope to reach by the end of incubation.

You must include the development of an advanced technology as a fundamental element of your proposed work packages.

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3.2. Incubation Proposal

Milestone Planning

Please complete the below Gantt chart with overview of the work packages you wish to complete during incubation. This should also include milestones for project kick-off, a Mid-Term Review at half-way through the incubation period and a Final Review at its end. The duration of the incubation is 18 months.

Fig. #: Milestone Planning

INCUBATION TIME																			
	Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
WP	Milestones & Meetings	KO								MTR									FR
1	e.g Design																		
2	e.g Experiments																		
3	e.g Engineering																		
4	e.g Prototyping																		
5	e.g Market studies																		
6	e.g Business Plan																		
7	e.g IPR																		
...	e.g Management																		

Key: WP – Work Package; KO – Kick-off; MTR – Mid-Term Review; FR – Final Review

Work Package Descriptions

Describe each work package in more detail below, using the table provided. Include work packages for technical, commercial and project management activities.

Your work packages should include an overview of the activities you propose to undertake, as well as the outputs of these activities. They should be described in simple language that a scientific but non-specialist audience would understand. These work package descriptions will be used by the Higgs BIC to monitor your progress during incubation.

In the costs overview, explain which costs you expect to incur (e.g., 3rd party costs) and from which sources they will be financed. Please respect the restrictions related to the Higgs BIC incentive as described in the Draft Incubation Contract and summarised below.

WP Number	#		
Responsible person	Name of team member or third party		
Description	2-3 sentence description of the work package and its main elements		
Target Outputs	Brief description of 1-3 specific outputs (e.g., design blueprint, decision on design option, Alpha version of software, working prototype, etc.)		
Costs	**Cost type**	**Higgs BIC Funding (£)**	**Other Funding (£)**
	e.g., 3rd party contractor, materials, equipment, etc.	Expected amount	Expected amount
	…		
	…		
	Total	**£-**	**£-**

Repeat this table for each Work Package. Remember to include work packages for technical, commercial and project management activities.

Management

In less than half a page, describe how you are going to manage the work during the incubation period. Include brief details of who will be responsible and accountable for delivering the incubation plan, and some of the methods you will use to manage timescales and budgets.

3.3. Funding Summary

In the table below, provide a summary of your expected incubation costs. This should match with the figures provided for individual work packages above. Note that the Higgs BIC cash funding is limited to £50,000. It is provided for the purpose of product/service development and IPR (e.g., patenting or acquiring licences) but can be used to cover payroll costs for R&D activities related to your Incubation Proposal as well as Higgs BIC rental costs.

Work Package	Funding (£)		
	Digital BIC Funding (£)	Other Funding (£)	Total (£)
1			£0.00
2			£0.00
3			£0.00
4			£0.00
5			£0.00
….			£0.00
TOTAL	£0.00	£0.00	£0.00

If applicable, provide a brief description of where the other funding will come from. Has it been secured or are you looking to raise this funding? This should be congruent with Section 2.6 above.

3.4. Support Request

Business Support

Define what type of business advice, coaching and training you wish to receive from the Higgs BIC in order to establish and grow your company.

Technical and IPR Support

Define in your own words, what type of Technical and IPR Support you wish to receive from the Higgs BIC in order to develop your product / service / process. Technical support is typically provided as advice or access to technical facilities on a best-efforts basis. IPR support is typically related to patents and other types of intellectual property.

Office Support

Please define the desk and laboratory space you would seek to use at The Royal Observatory during your incubation. Please note, that you are required to rent office or lab space as part of your incubation at the Higgs BIC. Higgs BIC cash funding (max £50,00) can be used to cover Higgs BIC rental costs if required. Common facilities such as meeting rooms are provided free of charge.