

North East Energy Catalyst



Energy Innovation Challenge Programme Guidance document

V1.2

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Facilitated by In partnership with



Energy Innovation Challenge Programme

The North East region excels when it comes to innovating, demonstrating and delivering new solutions which can help us drive economic growth in the region while solving global energy challenges. The Energy Innovation Challenge Programme is a new initiative designed to build on our regions skills and expertise to address global energy challenges. The programme is coordinated by the North East Local Enterprise Partnership (North East LEP), supported by the Innovation SuperNetwork (ISN), on behalf of the North East Energy Catalyst. It will be delivered over a series of three rounds during 2020/21.

Expertise and insight from the North East Energy Catalyst, and other industry partners, has been utilised to design three energy focused challenges, cutting across heat, power, transport and whole systems. Each challenge will identify solutions to energy issues which can be scaled up nationally or globally, leveraging the strengths of North East businesses.

The Energy Innovation Challenge Programme has been developed for SMEs like you who have a great idea for an innovative product or service. If eligible and accepted onto the programme, you will have the opportunity to benefit from 1:1 business support from the North East LEP's growth hub connectors and a series of cohort style business support workshops facilitated by the Innovation SuperNetwork. You will also benefit from 1:1 identification of collaborative opportunities with regional energy experts, leaders and facilities via the North East Energy Catalyst partnership.

As part of the programme, you will also have an opportunity to be invited to apply for £20,000 investment from the North East Innovation Fund, supported by the European Regional Development Fund, and managed by Northstar Ventures to cover some of your development costs; and / or a Local Growth Funding matched grant of up to £20,000 to help get your idea to market.

The business support element of our Energy Innovation Challenge Programme is designed to help you establish a successful, commercially viable business through a series of workshops, mentoring and support. The North East Local Enterprise Partnership, together with an industry expert panel, will assess your application on the information you submit.

Please note: we will not consider your application if it is incomplete or if you provide inaccurate and/or contradictory information. So please answer all the questions as fully as you can.

If you require clarification on any issues, please contact:

david.lynch@nelep.co.uk or steph@supernetwork.org.uk

Please return your completed application form to: emily.carlson@nelep.co.uk

Deadline for applications: noon Friday 17 April 2020

Application, approval and offer/acceptance process

Applications for the programme must be submitted to the North East Local Enterprise Partnership (North East LEP), to emily.carlson@nelep.co.uk by NOON Friday 17 April 2020

- **Please download the application form here - [Application Form](#)**

All questions should be answered as fully as possible and within word limits specified. Incomplete applications will not be considered

Applications will be considered on a competitive basis in terms of their:

- fit to the challenge theme
- level of innovation
- potential to be scaled to address a local, national and global energy challenge
- deliverability and viability

Applicants must meet the [EU definition of an SME](#) and have their principal place of business or material part of its operations, people or trading in the North East

Eligible	Not Eligible
Micro enterprises: with less than 10 persons employed;	Large enterprises: with 250 or more persons employed;
Small enterprises: with 10-49 persons employed;	The company has an annual turnover exceeding €50m;
Medium-sized enterprises: with 50-249 persons employed;	Principal place of business, operations, people or trading outside the North East region;
Small and medium sized enterprises (SMEs): with 1-249 persons employed;	

All applications are approved at the discretion of the North East LEP and Innovation SuperNetwork, and will be assessed with an expert panel selected from the North East Energy Catalyst Partnership and other industry leaders, following an eligibility check

If eligible, you may be invited to apply for a £20,000 investment fund from the North East Innovation Fund supported by the European Regional Development Fund, and managed by Northstar Ventures to cover some of your development costs; up to ten applicants across the programme can receive an investment.

- Indicative terms and conditions relation to this investment can be found [here](#).

If eligible, you may also be invited to apply for a grant from the Local Growth Fund (LGF) supported by Central Government, and administered by the North East Local Enterprise Partnership

LGF grants will normally be up to a maximum of £20,000, with applications expected to demonstrate an equal amount of match funding. LGF grant is broadly expected to be for, but not limited to, the following:

- Capital investment such as equipment, prototyping, building modification, project preparatory or delivery works
- Revenue funding of detailed technical studies, access to specialist facilities for proof of concept, expert consultancy or guidance, or business case work to help enable follow-on delivery and investment. Normal operational revenue costs are typically non-eligible

All applicants to challenge 1 should be notified of their outcome week commencing 27th April 2020 but will be notified if this is expected to be later

Challenge 1 – Decentralised, decarbonised energy

Whilst we welcome any innovative solutions for decentralised and decarbonised energy we are particularly interested in the following examples at different scales:

- **Micro-scale:** ditching diesel generators - diesel generators are commonly used by industry to provide mobile and reactive power supply for various uses, with hundreds of off-grid homes in the North East also relying on generators for power. What innovative alternative solutions may be available for domestic or commercial premises or vehicles?
- **Community-scale:** power to the people - an emerging solution to bring power generation or charging infrastructure to communities is to utilise incumbent local utility infrastructure such as community buildings, sub-stations, or water/sewage pumping facilities as a hub. What innovative concepts and solutions centred around this infrastructure could provide decarbonised and decentralised energy for community use?
- **Macro-scale:** commercial energy productivity - key employment sites like business parks, and development sites such as enterprise zones, can be energy-intensive and suffer from grid-constraints. What innovative, decentralised solutions could help ensure secure, affordable and sustainable energy to attract businesses, reduce their costs, and improve energy productivity?

Energy Innovation Challenge Programme Partners



The Innovation SuperNetwork is the brand of a project part-funded by the European Regional Development Fund: Catalysing Innovation in North East Clusters, which is receiving up to £1.24m of ERDF as part of the European Structural and Investment Funds Growth Programme 2014-2020.

The Ministry of Housing, Communities and Local Government is the Managing Authority for European Regional Development Fund. Established by the European Union, the European Regional Development Fund helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, create jobs and local community regenerations. For more information visit gov.uk/european-growth-funding



Northstar Ventures is a venture capital and social investment firm based in the North East. We provide funding for innovative, scalable businesses and high impact social enterprises. We've been supporting entrepreneurs since 2004, seeking out strong teams with great ideas that will drive high growth, scalable businesses, and sustainable charities.

As the North East's leading early stage investor, we have invested over £100m into start-ups, early stage businesses and high impact social enterprises in the region. Our investment managers have a wealth of experience supporting new and growing businesses and bring commercial and operational experience, PhDs and MBAs, international careers and even a micro-business or two.



The North East Fund is a suite five venture capital and loan funds which was established in April 2018, to invest £120m in around 600 North East businesses in the period to March 2023. The fund managers provide business development advice and investment finance to small and medium sized enterprises based in the seven Local Authority areas of North East England: Northumberland, North Tyneside, Newcastle, South Tyneside, Gateshead Sunderland and County Durham.

The programme encourages investment in and the commercialisation of new technologies, including low carbon technologies, as well as stimulating new business creation, private investment and entrepreneurialism in the North East, with a view to creating over 2,500 new jobs. The North East Fund has overall responsibility for the programme, which is delivered through five separate funds, each managed by independent, FCA regulated fund managers. Details of these, and up to date information on the progress of the programme, is available on The North East Fund's website: northeastfund.org

The North East Fund has been established with funding from the North East of England European Regional Development Fund programme, the European Investment Bank and from returns on previous North East based, publicly supported investment funds. It is jointly owned by the seven North East local authorities



European Union
European Regional Development Fund

The North East Fund will receive up to £58,500,000 of funding from the England European Regional Development Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. The Ministry for Housing, Communities and Local Government is the Managing Authority for European Regional Development Fund. Established by the European Union, the European Regional Development Fund helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, create jobs and local community regenerations. For more information visit gov.uk/european-growth-funding.

The North East Energy Catalyst is part funded via the Innovation SuperNetwork by the European Regional Development which includes the Catalysing Innovation in North East Clusters project, which is receiving up to £1.24m of funding from the England European Regional Development Fund as part of the European Structural and Investment Funds Growth Programme 2014-2020. The Ministry of Housing, Communities and Local Government is the Managing Authority for European Regional Development Fund. Established by the European Union, the European Regional Development Fund helps local areas stimulate their economic development by investing in projects which will support innovation, businesses, create jobs and local community regenerations. For more information visit gov.uk/european-growth-funding



European Investment Bank

The European Investment Bank (EIB) will lend up to £60,000,000 to the North East Fund programme. The European Investment Bank is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals. For more information, visit: eib.org/about/index.htm

How we use your data: General Data Protection Regulation

The North East LEP will use the data that you have provided for the following purposes:

- To appraise your grant application including, where applicable, working with third parties to carry out due diligence;
- To work with our partners to deliver business support services to you, to manage your account and for customer satisfaction monitoring and evaluation of our services;
- To send you updates about business support available in North East England, for example details of events or newsletters.

The Innovation SuperNetwork will use the data that you have provided for the following purposes:

- To offer tailored business support, whether through ourselves, one of our programmes, or an Innovation SuperNetwork partner.
- They will offer a chance for you to opt into their newsletter which has more information on funding, collaboration and challenge opportunities.

How we store your data

We store your data securely in our CRM and only retain it for as long as we have an ongoing customer relationship with you, or as required for audit purposes by our Funders. We will not pass your details on to other organisations for marketing purposes.

The Innovation SuperNetwork will store your data securely on their systems and will only use it in reference to the above project event you've signed up to, unless otherwise agreed upon. They will not pass on your details to their partners or use it for marketing purposes unless they have been given permission to do so.

How to find out more

To read our Data Protection Policy and to find out more about how we handle your data please visit our website northeastlep.co.uk.

Freedom of Information

Under the Freedom of Information Act 2000, the North East LEP is required to make publicly available information that we hold, including on investments. There are some exemptions in relation personal and commercial information; however, applicants should be aware that information supplied on this form may be disclosed to third parties. Accordingly, we offer no assurance that the information contained in this document will be maintained in confidence. For more information, visit:

nelep.co.uk/wp-content/uploads/2016/04/North-East-LEP-Guidance-on-Freedom-of-Information-Requests.docx

If you require further information or guidance please contact:

david.lynch@nelep.co.uk or steph@supernetwork.org.uk