Cyd-bwyllgor Corfforedig De-Ddwyrain Cymru | South East Wales Corporate Joint Committee

Report for:	ACTION / NOTING
Contains Confidential or Exempt Information	NO

For Consideration By	South East Wales Corporate Joint Committee
Report Title	Local Innovation Partnership Fund
Report of	Colan Mehaffey, Strategic Director of Policy, Impact and Partnerships Gavin Powell, Head of Innovation
Contact Details	colan.mehaffey@cardiffcapitalregion.gov.uk
Date to be Considered	24 November 2025
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Affected Council Areas	All
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Reason for this Report

1. To provide an update on the development of Local Innovation Partnership Fund (LIPF) for Cardiff Capital Region (CCR).

Recommendations

2. It is recommended that the South East Wales Corporate Joint Committee (SEWCJC):

(1) Note and endorse the approach to the development of the LIPF for CCR paying particular attention to:
   a) Formation of a regional Innovation Partnership
   b) Process CCR are following, as set by UK Research & Innovation

Background

3. The Local Innovation Partnership Fund (LIPF) is a UK Research & Innovation (UKRI) backed programme designed to strengthen local innovation systems and accelerate commercialisation. It enables regions to build stronger innovation partnerships, identify priority clusters of strength, and deliver portfolios of projects that can leverage national and private investment. It

provides at least £30m of grant funding that will be matched with up to another £90m of private investment.

4. CCR have been chosen as a delivery partner to work with UKRI. For this CCR is required to:

Prepare and submit a readiness check

- Governance and decision making (the partnership)
- Strategy and vision
- Gather evidence for cluster choices

Submit portfolio

- Gather regional proposals
- Work with the partnership to assess proposals

5. CCR have undertaken 3 outreach sessions to listen to the voice of public, private, academia and 3rd/societal. We have collated data in the workshops to gather close to 1000 data points regarding the state of our regional innovation system.

Partnership Approach & Governance

6. The fund is based around a 'local partnership' as mentioned and described in the previous briefing note to the SEWCJC. This means we need to have a triple/quadruple decision making element made up of academia, public and private sector innovation experts, and place/3rd sector/society representation.

7. This will initially sit within CCR and will provide the regional 'rubber stamp' for all decisions that are then passed onto UKRI for the ultimate sign off. After we present evidence and intelligence to them, they will decide which clusters to support. Then, when presented with potential projects they will decide which ones are suitable for the fund.

8. Being cognisant that an advisory board of the same capacity and similar capability is required for the Investment Zone, and likely any other future funds in this space, CCR wish to avoid any unnecessary duplication.

9. Based on that logic CCR wish to form a single Innovation Partnership for the region, made up of a core set of innovation experts. We will then co-opt and add specific experts as required for each individual fund or programme.

10. This core Innovation Partnership will help define and deliver a regional strategy for Innovation, something that is noticeably missing from our region, when compared to the other LIPF areas and Mayoral Combined Authorities of England. In 2022 Welsh Government committed to roll out Local Area Energy Plans in every local authority area in Wales. With Welsh Government funding, CCR agreed to coordinate that process across the region.

11. CCR is developing a profile for the composition of the Board, based on the
    - Chair
    - Three Higher Education representatives
    - At least one Further Education representative

- Six Private Sector representatives
- Four Public Sector representatives
- UKRI representation (for LIPF relevant matters)

12. The initial membership to be sector or specialism agnostic in so far as possible, as they will be required to select the industrial clusters of focus for the LIPF). CCR will consider sector or cluster specialists to join the Partnership when the LIPF portfolio is finalised.

13. Specialists can also be integrated as part of the rotational element of the membership. There are people and organisations that are important to this and highly valuable to our region and don't want them to feel like they are undervalued or excluded.

14. The core membership are expected to be high profile and made of people who have practical experience in innovation, but particularly covering application, exploitation and commercialisation where possible. CCR are open to working with people from outside of the region who bring additional value and insight. The local representation on the board is also critical as this board needs to fairly and inclusively cover the region and its needs not only around technology and products, but also the wider impact and place element for people and society over the whole region.

15. Time frames for the fund are tight and there is an obvious risk that parties are not interested in being a part of the board or take time to enrol. A fallback position should remain for early decisions of utilising the Regional Growth Board with some co-opted members.

16. We are currently developing the terms of reference with CCR legal officers, and in a manner that makes them appropriate for use with LIPF and Investment Zone application. [Following line added in response to MO comments] *These terms of reverence will be brought forwards for information to the SEWCJC at a future date*.

Timeline

Key milestones with indicative dates include:

Action	**Due date**	**Status**
UKRI/Innovate UK award data	September 2025	Acquired
Academia, public and private consultation and sector input data	October/ November 2025	Workshops undertaken
Business based data gathering	October/ November 2025	Done
Societal input	November 2025	Workshop/drop-in sessions undertaken
Cluster identification decision	December 2025	
Readiness check submitted	3 Feb 2026	
Open/closed engagement for project proposals	Jan- March 2026	
Prioritisation and portfolio finalisation	April 2026	
Final portfolio submission to UKRI	May 2026	
Grant award confirmations	July 2026	

Financial Implications

17. There are no direct financial implications associated with this report.

Comments of the Monitoring Officer

18. The recommendations in this report are limited to noting and endorsing the proposed approach to the development of a Local Innovation Partnership Fund (LIPF) for the Cardiff Capital Region, and to the formation in principle of a regional Innovation Partnership to support that work. No direct financial commitments or binding contractual obligations arise for the SEWCJC at this stage. The proposals are consistent with the functions conferred on the SEWCJC by the regulations made under the Local Government and Elections (Wales) Act 2021 in relation to regional economic well-being and regeneration.

19. The proposed Innovation Partnership will be a key component of the governance and decision-support arrangements for the LIPF and related programmes. Its precise status (advisory/decision-making), relationship to the SEWCJC and its existing committees, and any delegated authorities will need to be clearly defined in Terms of Reference, which should be brought forward for approval. Those Terms of Reference should address as a minimum: membership and appointment processes, tenure and rotation, quorum, decision-making and escalation routes, management of real and perceived conflicts of interest (especially for private sector and academic members), transparency and confidentiality, and data-protection requirements.

Well-being of Future Generations

20. The Corporate Joint Committees (Amendment of the Well-being of Future Generations (Wales) Act 2015) Regulations 2021 bring CJCs within the scope of Parts 2 and 3 of the Well-being of Future Generations (Wales) Act 2015.

21. The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies to carry out sustainable development, meaning the process of improving the social, economic, environmental and cultural well-being of Wales by taking action aimed at achieving the well-being goals of:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

and by acting in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

22. In order to act in accordance with the sustainable development principle, when exercising its functions, the Committee must take account of the following things:

- the importance of balancing short term needs with the need to safeguard the ability to meet long term needs;
- the need to take an integrated approach to achieving the well-being goals;

- the importance of involving others with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of the region;
- how acting in collaboration with others could assist to meet the region's well-being objectives;
- how deploying resources to prevent problems occurring or getting worse may contribute to meeting the region's well-being objectives.

23. In developing the Recommendations of this report, regard has been had to the well-being duty arising under the Well-Being of Future Generations (Wales) Act 2015 ('the Act').

Equality, Diversity, and Inclusion

24. The Equality Act 2010 (Public Authorities subject to the Public Sector Equality Duty) (Wales) Order 2021 amended Part 2 of Schedule 19 to the Equality Act 2010 to provide that Corporate Joint Committees are subject to the Public Sector Equality duty set out in Section 149 of the Equality Act 2010.

25. The Equality Act 2010 (Authorities subject to a duty regarding Socio-economic Inequalities) (No. 2) (Wales) Regulations 2021 amended section 1 of the Equality Act 2010 in order to add Corporate Joint Committees to the list of relevant authorities subject to the Socio Economic Duty.

26. The Committee must, in the exercise of its functions, have due regard to the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Act; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not.

27. The characteristics protected under the Act are:

- age;
- disability.
- gender reassignment.
- marriage and civil partnership.
- pregnancy and maternity.
- race.
- religion or belief.
- sex; and
- sexual orientation.

28. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

34. CCR is committed to advancing the economic development of the Region, through its investments and projects across key portfolio areas and its additional statutory powers. The LIPF programme will adhere to the objectives and measures as established in the CCR Strategic Equality Plan and there will be controls around Equality, Diversity and Inclusion across the programme and for individual projects.

Welsh Language Implications

36. The Welsh Language Standards (No.1) Regulations 2015 (Amendment) Regulations 2021 bring Corporate Joint Committees within the scope of the standards specified by the No.1 Regulations.

37. In accordance with the Welsh Language Standards (No.1) Regulations 2015, consideration has been given to the impact the recommendations made in this report may have on opportunities for people to use and promote the Welsh Language, whether the proposals treat the Welsh Language more or less favourably than the English Language, and opportunities for increasing the positive effects, or decreasing the negative effects, of the proposals on the Welsh Language.

38. No negative impacts were identified which would prevent approval being sought to implement the recommendations of this report.

Risk Management

39. This fund is ultimately owned by UKRI, requiring their final sign off on portfolio project choices. This shares risk with UKRI in terms of programme and project delivery, and transfers risk to them for some elements.

40. The need to carefully manager reputational risk is clear, related to both our regional stakeholders and UKRI. This is an opportunity to solidify our position, role and capability within the region through this work. It is also an opportunity to set the mechanism that more UK Government money will flow through.

41. To mitigate this, CCR will deliver the programme professionally and in a considered manner. UKRI currently have strongly supported and approved CCR's set up and planning through our inclusive approach and being data/ evidence driven.

Colan Mehaffey
Strategic Director of Policy, Impact and Partnerships

Gavin Powell
Head of Innovation

24 November 2025

UK Research and Innovation

Local Innovation Partnerships Fund

Further Guidance

October 2025

UK Research and Innovation

UK Research and Innovation

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Summary

This guidance document has been developed to provide more detailed and comprehensive information about the Local Innovation Partnership Fund (LIPF), building upon the initial guidance issued in July 2025. It provides greater granularity on the Fund's objectives and processes including essential information to support assembly of submissions, taking into account feedback collected via engagement with various stakeholders related to both submission strands.

This update includes:

- **UKRI's Co-creation Offer**: Information on UKRI's co-creation approach, outlining how UKRI will support partnerships and other stakeholders to co-develop project ideas, refine strategies, and ensure that submissions reflect local opportunities and national priorities.
- **Funding Delivery Model and Governance**: An outline of how funds will be distributed, including how UKRI will work with local places to allocate funds, the potential role of local anchor entities in administering grants, and the conditions for grant distribution.
- **Readiness Criteria**: Detail on the criteria that submissions must meet to demonstrate readiness to engage with the Fund and the supporting information that can be provided.
- **Project Portfolio**: Guidance on the types of projects that can be funded, including details that are expected at an individual project level, and approaches to project assembly and portfolio development.
- **Timescales**: The phases of the submission processes and key deadlines across both strands.
- **Submission Process**: Detailed information on what is required for submission, requirements of lead bidders and how the assessment process will work.

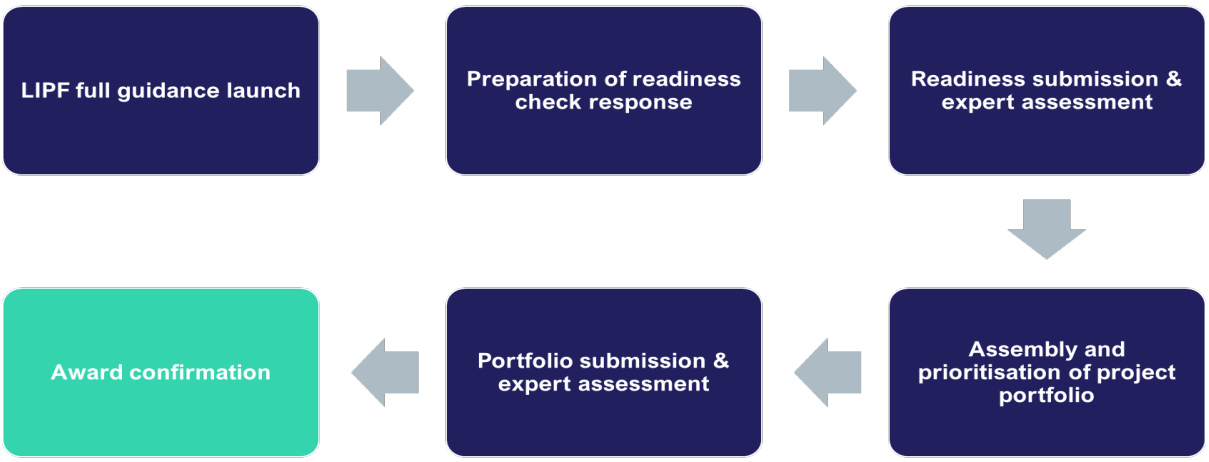
1 Introduction

The Local Innovation Partnerships Fund (LIPF) is a new UKRI-led programme that will invest up to £500 million into the development and scaling of high-potential innovation clusters across the UK. It is designed to support both established clusters with a proven track record of innovation, and emerging clusters that are in earlier stages of development but have significant potential to generate economic value. The LIPF is built on the premise that the conditions for innovation-led growth, and the ability to capitalise on opportunities in places, rely on strong local leadership and effective collaboration between civic institutions, business and universities. This model, proven through UKRI programmes such as the Innovation Accelerator pilot programme and the Strength in Places Fund, is often described as the Triple Helix. This approach empowers those based in regions to identify the needs and opportunities of their place to unlock local and regional innovation and deliver long-term impact, building on existing investments, assets and initiatives. The Triple Helix model is at the heart of LIPF, ensuring that decision making and delivery is rooted in the distinctive strengths of local economies and stakeholders based locally identify the needs and opportunities for their place, all in partnership with UKRI.

Innovation clusters present an opportunity for convening this leadership around shared growth objectives, drawing together enterprise, research, entrepreneurship, skills and private investment. While the UK has a proven track record of sectoral innovation, realising the full potential of its clusters requires local co-ordination, targeted investment and strong innovation ecosystems to sustain growth. The LIPF invites places, through their local partnerships, to put forward propositions which enable **existing established clusters** to scale and deepen their impact, and/or support the growth and maturing of **emerging clusters** which have significant potential to generate economic value. Clusters must be defined by a clear functional economic geography, which may extend beyond administrative boundaries, but **reflect a localised concentration of innovation assets, firms and capabilities**.

Funding will be deployed across two strands – an **Earmarked Strand** with pre-identified places and a **Competed Strand** which is open to the rest of the UK in the form of an Expression of Interest (EOI) process.

Figure 1. Overview of LIPF process



UK Research and Innovation

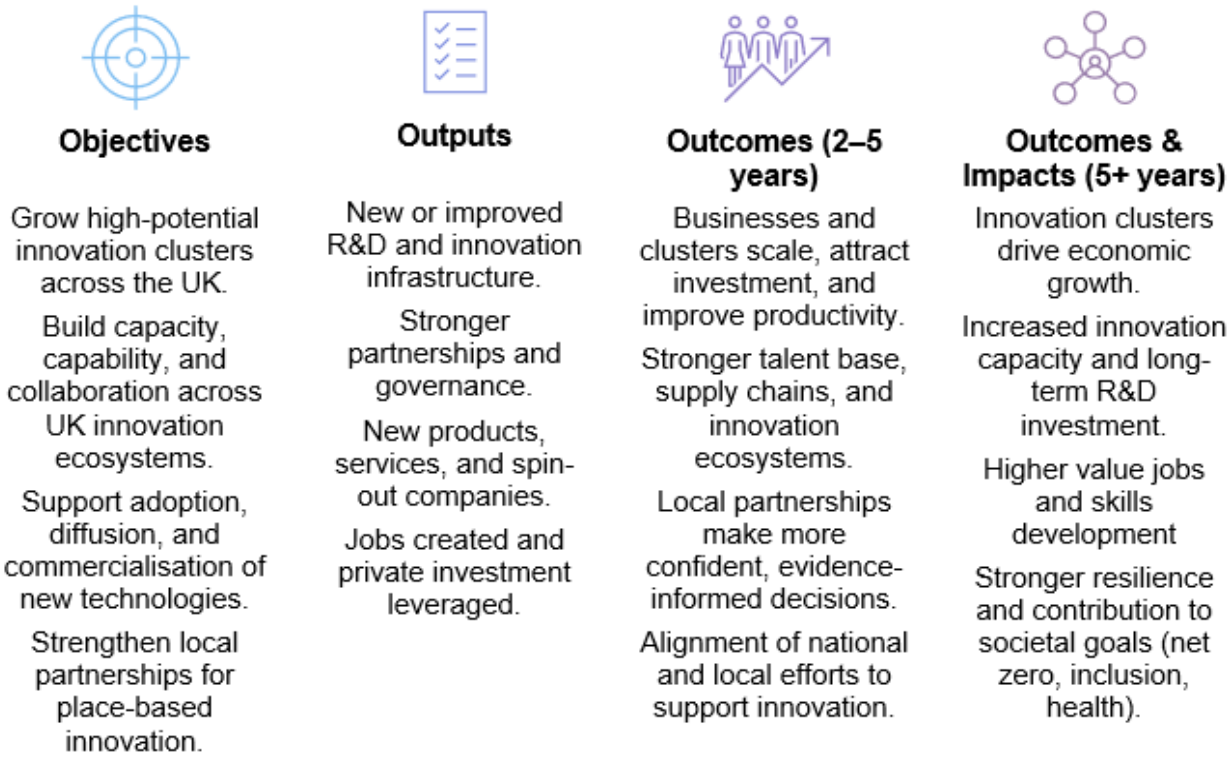
Fund objectives and outcomes

The LIPF seeks to harness high-potential innovation clusters to drive economic growth, deliver impact at scale and build long-lasting innovation capacity in regions across the UK. Ultimately this will support places to increase their competitive advantage by creating clusters that are not just nationally strong but are internationally competitive and capable of driving ongoing inward investment and cluster growth. Submissions should consider the positioning of their clusters in relation to these factors, showing where there is greatest potential to build critical mass and create a compelling case for investment.

Triple Helix partnerships are asked to submit project portfolios that directly support the growth of these high-potential clusters and are shaped by clearly defined needs and opportunities. Projects must have a distinct focus on near-to-market research and innovation with strong potential for commercial application, industry adoption and scalable impact. The LIPF is not designed to support early discovery or blue-sky research. Instead, it aims to **support the conversion of research excellence into tangible products, services, or technologies that deliver impact by increasing productivity, attracting investment, and creating high-value jobs.** This emphasis on commercialisation and scale is central to the LIPF's primary objective of using local innovation strengths to drive economic growth.

The primary objectives of the LIPF, which UKRI will monitor and evaluate using inputs from all programme participants, are set out in the summary logic model below:

Figure 2. LIPF logic model



UK Research and Innovation

Delivery model

The LIPF builds on UKRI's place-based approaches to funding and is designed for UKRI to work *with* places rather than through them. In practice, through co-creation UKRI will provide expertise, support, and oversight, ensuring alignment with national priorities, while local innovation partnerships will retain substantial autonomy to determine how funding is allocated within their own innovation clusters.

This approach offers several advantages. By working with UKRI, partnerships will benefit from accessing deep research expertise, international networks, and its convening power to attract further investment and collaboration. This also create an opportunity for joint design and delivery, providing partnerships with the flexibility to shape funding around local priorities while leveraging UKRI's wider resources and experience. This is laid out further within UKRI's co-creation offer in section 4.

UKRI typically issues funding directly to research organisations and businesses. However, in response to feedback from the Innovation Accelerator pilots, and in line with government's strategic objective to empower more local decision-making, UKRI also offers an alternative approach to delivering the LIPF. Specifically, partnerships will have the option to nominate an eligible local anchor entity, such as a research organisation[1], Mayoral Strategic Authority or other local government body, to administer grants to businesses, while UKRI continues to administer grants to research organisations through established channels. This approach empowers places that wish to have a greater role in administering funding, while ensuring value for money by avoiding any duplication of UKRI's capabilities in funding research organisations directly.

The nominated organisation must meet assurance criteria and demonstrate efficiency and value for money in administering grants. As it will be responsible for distributing grants to individual projects, the anchor entity will be required to comply with UKRI's terms and conditions, funding assurance and subsidy control requirements. They will be eligible to receive a capped contribution towards operational delivery costs taken from that place's award. Additional information on these conditions is available from UKRI.

If places choose not to adopt this alternative approach to funding delivery, or where there is not the institutional capacity available to manage or distribute this funding at a local level, UKRI will make awards through its standard award processes. The preferred route will be determined through co-creation and engagement with LIPF participants. In all cases, UKRI will maintain oversight of project and anchor entity performance and have overall responsibility and accountability for the LIPF.

[1] For example, one of the academic partners of the triple helix.

2 Eligible applicants

The LIPF is structured around two distinct strands. This approach recognises that places will have differing levels of resource, capabilities and levers available to support cluster development within their economy. Further details on each strand, including guidance on governance and submission processes, are outlined below.

EARMARKED STRAND

At least £30 million for Triple Helix partnerships in each of the ten regions already earmarked by the government. These places are Greater Manchester, Greater London, Liverpool City Region, North East, South Yorkshire, West Midlands, West Yorkshire, Glasgow City Region, Cardiff Capital Region, and an innovation corridor spanning Belfast and Derry/Londonderry.

Considerations:

- Submissions should define the geography of their priority cluster opportunities and related innovation ecosystem. It is understood that clusters may transcend established administrative boundaries and funding is flexible enough to support that activity.
- Places are encouraged to build on existing strengths to increase their competitive advantage, focusing on scale, impact and ability to attract private sector investment.
- Resources should not be dispersed too thinly; investment should be sufficiently concentrated to achieve transformative outcomes. If multiple clusters are proposed, the proposal should be demonstrated how the project portfolio can deliver significant impact and create synergies across clusters.

COMPETED STRAND

Up to £20 million per place. This category is open to Triple Helix partnerships from across the rest of the UK to demonstrate their innovation potential, including clusters which may have more than one economic centre across a large geography. Successful applicants will be selected through an EOI process which is built around the readiness check criteria set out in section 5. **To note, places that are funded via the Earmarked Award are not eligible to apply under this strand**. This also applies to any organisations or partnerships located within the geographies covered by an Earmarked Award.

Considerations:

- Any proposed partnership must clearly set out how it operates within a defined functional economic geography and clearly evidenced cluster(s). Polycentric clusters or geographies will be accepted as long as significant long-term impact can be generated.
- Places are encouraged to build on existing strengths to increase their competitive advantage, focusing on scale and impact. Resources should not be dispersed too thinly.
- Partnerships can consider collaboration options both within and beyond administrative boundaries to ensure proposed clusters and projects have the required scale of impact.
- For those submissions that are unsuccessful within LIPF, there is the potential to identify propositions that may be eligible for funding from other UKRI programmes.

Triple Helix partnership responsibilities

All submissions must be made on behalf of a Triple Helix partnership. This is a core requirement of the LIPF. Each submission will need to demonstrate that such a partnership is in place and is capable of developing a compelling portfolio of activities that support the growth of high-potential innovation clusters. Where this is not present, co-creation provides an opportunity to consolidate relationships into new partnerships.

The rationale behind the Triple Helix is well-established, having demonstrated successful implementation in national and international contexts, including as part of previous UKRI programmes. It brings together collective strengths of research and knowledge generation from academia, commercial expertise and market application from industry, and strategic leadership and convening power of civic institutions. Together, these are critical to regional decision-making and enabling innovation-driven growth.

While the core of this partnership should follow the Triple Helix structure, it can be flexed to incorporate other partners, such as NHS bodies, institutional investors and social enterprises. Some partnerships may also choose to integrate community groups, or community engagement, reflecting a ‘Quadruple Helix’ approach. It is down to individual places to determine the governance that is most appropriate to drive cluster development, but it is recommended that the capacity required to effectively manage these relationships is closely considered.

It is recognised that not all places will have effective pre-existing innovation governance models, such as an innovation board. While an innovation board can be an effective approach for managing local opportunities and challenges relating specifically to innovation, it may not suit all places. For some, it may be more appropriate to consider how existing governance structures could be adapted or if a dedicated LIPF governance board is preferred. Further guidance is available in the Annex. In all cases, partnerships will need to demonstrate that their structures are effective, transparent and allow for fair decision making aligned to innovation priorities. As a key outcome from this process is to establish long-lasting collaborative innovation governance, submissions should show an intention for this governance to endure beyond the LIPF timescales.

A ‘lead bidder’ should be selected by the Triple Helix partnership to make the submission on their behalf. This is a different role from the anchor entity outlined under the delivery model heading in section 1 that focuses on funding distribution. The lead bidder is responsible for:

- Convening and coordinating on behalf of the partnership (as required).
- The formal submission, ensuring it reflects the local innovation strategy, the collective ambition and capabilities of the region and responds to all readiness criteria.
- Managing the project portfolio process, overseeing portfolio development and prioritisation processes through the Triple Helix governance and formally submitting the portfolio for quality assurance.

The lead bidder should be agreed by the partnership on the basis of who is best placed to coordinate the response and represent the cluster opportunity. In some instances, this will be a civic institution such as a Mayoral Strategic Authority or another form of regional leadership body with the necessary capacity and resources. However, there is flexibility to designate a university or research organisation to take on the role where appropriate.

Operational expenditure (opex) funding to support delivery will be made available to support this role. For places in the Earmarked Strand, £300,000 will be available from April 2026,

from within their overall award envelope to support operational expenditure. For places in the Competed Strand, £200,000 will be available to support those places that are successful through the readiness EOI. This will be made available following Ministerial announcement and will be from within that place's overall award envelope.

Responses must be submitted via UKRI's Funding Service platform. Due to the configuration of this service, the submitting organisation must be either an eligible research organisation or an organisation that has non-standard eligibility for LIPF, following successful application. This is an administrative requirement and does not confer or imply that the submitting organisation must act as the lead for the LIPF. For example, the lead bidder can focus on coordinating the response and delegate submission responsibility to an appropriate organisation if preferred, but partnerships may find it easiest to select a lead bidder that already has access to the platform. The Triple Helix partnership retains flexibility to determine which organisation holds the lead role in coordinating the response.

The Competed Strand may include alternative approaches to cluster development outside of city regions in which submissions may represent larger or polycentric geographies. Partnerships are recommended to follow the functional economic geography of that cluster which may be spread across administrative boundaries but are advised against large 'peninsula-style bids' as this could lead to funding being spread too thinly. In these instances, submissions should demonstrate how the Triple Helix governance model operates across such an area while maintaining a collaborative, focused and impactful structure. It is also recommended that the designated lead bidder has experience in facilitating the coordination and collaboration of a diverse set of stakeholders.

To support places and partnerships to learn from practical experience and examples of best practice, UKRI will establish a dedicated LIPF network, enabling participants to share their experiences, exchange ideas, and learn from one another throughout the process. This will include exploring how places have approached the development of functional and successful innovation partnerships.

UK Research and Innovation

3 Funding criteria

The LIPF is designed to support a broad range of research and development (R&D) activities that accelerate the conversion of research excellence into new products, services or technologies that deliver impact through by increasing productivity, attracting investment, and creating high-value jobs. A non-exhaustive list of eligible activities for funding is set out in table 1. To qualify, projects must meet the criteria on eligible activities and demonstrate how they both support their priority clusters and deliver LIPF outcomes. Discovery or 'blue-sky' research is excluded, but there is otherwise broad flexibility on what can be supported.

Partnerships must consider how they will integrate existing investments and policy levers, ensuring these are used strategically to maximise the benefits and potential of LIPF. Follow-on funding for existing UKRI-funded projects will only be considered where clear, new activities are strongly aligned to LIPF objectives and where additionality is clearly evidenced.

As the programme uses standard CDEL R&D[2] funding, both traditional capital expenditure and programme expenditure that can be capitalised under government rules for R&D are in scope, with no specific split required. However, each project must be clearly justified based on its proposed impact. All projects must be delivered within the five-year LIPF timescale, with proposed benefits reflecting a realistic geographical scope which can extend beyond the functional geography of the cluster. While benefits are not required to materialise within the five-year period, partnerships are required to report on their projects for seven years and set out an exit strategy. Proposed activities should not be financially dependent on UKRI funding, either concluding within the programme window or supported by other funds.

Each partnership will be expected to demonstrate that their portfolio of activities (**not** individual projects) can generate an absolute minimum private to public investment ratio of 1:1 during the delivery phase and 2:1 across the portfolio's lifespan (7-year reporting period). Ideally, they should demonstrate how they could deliver a ratio of 3:1 over the lifespan. The focus on leveraging private sector activity from the LIPF is particularly important in the longer-term, even if it cannot be achieved out the outset of projects.

The LIPF is also intended to act as a means to de-risk innovation and crowd in additional investment from partners, the private sector and institutional investors. This would encompass upfront industry co-investment right through to follow-on funding, spanning four types of investment, but only non-public funding will count towards the ratios above:

- **Type 1: Matched / Co-investment.** Only non-public sources of funding will be recognised as matched funding. As per UKRI policy guidelines and guidance to institutions on match funding, there is no expectation of match funding from research institutions to ensure transparency and fairness in research funding. In-kind contributions will not be eligible as LIPF seeks to raise private sector investment.
- **Type 2: Accompanying.** Additional public (but non-UKRI) and non-public investments that support LIPF-funded R&D activity over and above those which are considered eligible costs as part of the grant subsidy.
- **Type 3: Aligned.** Investment in a technology/research area thematically aligned to, and catalysed by, LIPF-funded R&D activities.

[2] Further details on what constitutes R&D expenditure can be found in Annex C of the HMT budgeting guidance, specifically the ESA10 definition and the five criteria designed to help identify R&D.

- **Type 4: Follow-on.** The investment to take to market, or exploit, outcomes from LIPF-funded R&D activity. This often involves combining with other Intellectual Property or technology to deliver a commercial product.

Table 1. Non-exhaustive list of eligible activities the LIPF can fund

ACTIVITY	DESCRIPTION
Research commercialisation	Technology transfer to industry; new product development; industry collaboration; securing patents, copyrights, or trademarks for research.
Adoption and diffusion of new technologies	Support for approaches that enable the adoption and diffusion of cutting-edge / cross-cutting technologies by businesses including enabling access to innovation assets and collaborative R&D with industry.
Business growth / development initiatives	Support for high growth SMEs and spinouts to boost company growth, including access to private finance to support local scaling.
Translational R&D	Collaborative R&D with strong industrial outcomes, including partnerships between businesses and the research base.
Cluster development, networking and leadership	Sharing and embedding best practice, including collaboration agreements which enable subject matter experts to share knowledge, develop skills and solutions, and attract investment.
Talent and skills development	Support for research fellowships and knowledge transfer partnerships which are strongly focused on building collaborative relationships between research organisations and businesses.
R&D infrastructure	Including investment into scale-up infrastructure and equipment critical for building capabilities of the innovation ecosystem. Proposals for new 'centres' will be evaluated on the basis of future sustainability
Knowledge exchange and R&I networking	Activities that strengthen and build relationships between stakeholders across research and innovation.
Seed corn funding	Operational or early-stage funding that build on existing cluster strengths, building resilience of the business base by supporting technology adoption and support growth of the cluster.
Access to / attracting overseas business and investment	Activities including collaborative research, business relocation, and growing local supply chains. Programme funding for non-UK businesses will only be eligible if a clear case is made for how it will anchor business activity in the UK with demonstrable local benefits.

4 Working in co-creation

Partnership working and co-creation are at the heart of the LIPF. UKRI will empower Triple Helix partnerships to make strategic decisions about cluster and portfolio development, working closely with local expertise to identify the clusters that present the greatest opportunity. This local insight will be complemented by UKRI's national perspective, connecting regional strengths and clusters with national and international networks within and beyond government.

UKRI will work closely with Triple Helix partnerships to help shape their LIPF portfolios aligned to national priorities. This will include working to develop high-quality, ready-to-invest projects that can deliver significant impact at scale. The focus must be to ensure the investment into clusters will allow them to compete internationally while avoiding spreading resources too thinly[3]. What this means in practice will depend on the strengths, opportunities and priorities of each place but what it could include, for example, is a project focused on developing an underpinning technological strength that could be applied across multiple clusters. The key principle here will be focusing on strategic portfolio choices that maximise local economic growth rather than diluting the impact of the funding across all areas of a local economy. UKRI will help guide partnerships throughout this decision-making process.

Working in this collaborative co-creation manner, UKRI values:

- Working with regional and local stakeholders, and all the governments of the UK, to deliver greater coherence and collaboration across its national and regional science and innovation portfolio.
- Ensuring its trusted, strategic relationships with places allow UKRI to improve its knowledge and understanding of local research and innovation ecosystems.
- Using this knowledge and other strategic intelligence to deliver growth via interventions tailored to local/regional R&D contexts.

UKRI's co-creation offer

Recognising that places will have distinct set of circumstances and ways of working, UKRI will adopt a flexible approach to co-creation, ensuring each partnership receives tailored support. This will not only relate to the successful delivery of LIPF but aims to create a longer-term partnership between UKRI and local innovation ecosystems.

For those in receipt of an Earmarked award, co-creation will begin immediately upon the launch of the LIPF programme, with UKRI establishing a strategic partner relationship from the outset. For those putting forward submissions through the Competed Strand, due to the volume of applications expected, formal co-creation will only begin once successful applicants have been identified after the readiness EOI stage as outlined in section 7. However, this will not mean there will be no support prior to formal co-creation. UKRI will provide advice and guidance in the run up to submissions, including webinar and drop-in sessions, to ensure partnerships have the necessary information when preparing their readiness check responses.

[3] Ian Chapman: 'I join UKRI at a crucial and exciting time' - Research Professional News

Through its co-creation offer UKRI can:

- **Provide dedicated points of contact for each partnership**, including executive chairs and subject matter experts, building on existing relationships places may already have and strengthening UKRI's partnerships with places directly.
- **Increase places' knowledge of UKRI and its investments in their region,** including across infrastructure, talent and skills, and research and innovation.
- **Establish a shared understanding of research, innovation and cluster strengths**, deepening the understanding of growth sectors and opportunities to leverage comparative strengths to increase national capability.
- **Offer expert advice and connect places with relevant subject matter experts** to support local innovation and regional growth, including convening local and national industry and sector experts, navigating through different government departments, and providing expert advice for researchers or business looking to commercialise new ideas.
- **Advise on cluster strategy development and implementation**, identifying opportunities aligned with local assets and national capabilities, to strengthen innovation ecosystems.
- **Co-create a portfolio of activities aligned to regional research and innovation strengths**, including identification of innovation activities that would help advance local growth ambitions, advice on strategic fit to the LIPF and government priorities and advice on project quality.
- **Strengthen pathways of support for high potential growth businesses,** optimising referrals and linkages that enable the right support for businesses at the right time, helping to secure seed funding and scaleup capital quickly.
- **Catalyse connectivity between organisations, institutions and investments,** working with partnerships and other stakeholders in the region to build collaborative relationships, providing advice regarding local governance arrangements, connecting local and regional knowledge exchange and connecting LIPF investments at a programme level to ensure shared learning.
- **Enhance the synergy between UKRI investments and those made by other stakeholders for greater regional impact,** jointly identifying opportunities to coordinate across the breadth of UKRI's investments with a view to strengthening local ecosystems.
- **Facilitate stronger cross-system and cross-regional learning,** bringing partners together to share good practices and improve collaboration.

5 Readiness Check

The readiness check is a crucial first step in the LIPF process, designed to assess whether places have the essential foundations to effectively manage and deploy LIPF funding in a timely manner. This includes confirming that places have the means to assemble a credible project portfolio, an established or adaptable governance structure capable of guiding investment decisions, and the operational capacity needed for implementation.

Places in the Earmarked Strand can choose to submit their readiness check response in either wave one in November, or wave two in February. UKRI will work with all places in this strand to support them to develop their readiness submissions. Applicants to the Competed Strand have until February to submit their readiness check EOI. Further details see section 7.

Set out in table 2 is an overview of what assessors are looking for within each theme, followed by more detailed information for each question, including additional guidance and the type of evidence to consider including as part of each response. As the readiness response is intended to be concise, each question is subject to a word limit and may be accompanied by up to three pages of supporting evidence.

Table 2. Criteria overview

THEME	WHAT ASSESSORS ARE LOOKING FOR
Strategic Vision and Priority Clusters	• Defined priority innovation clusters with clear functional geographies and evidence of growth potential. • Alignment of identified clusters with national priorities and Local Growth Plan (where relevant) and wider economic objectives. • Defined role priority innovation clusters play in delivering regional innovation priorities.
Innovation Strength and Opportunity	• Stage of maturity of the innovation ecosystem and priority clusters (emerging vs established). • Defined areas for intervention, such as market failures or barriers, that LIPF may address. • Evidence of effective collaboration across the innovation ecosystem.
Governance and Leadership	• Governance arrangements capable of overseeing innovation priorities and managing investment decisions. • Representation from each element of the Triple Helix model as a minimum. • Clear governance processes which ensure transparency and accountability in decision-making.
Operational Capability	• A track record of managing and delivering innovation programmes (or similar). • An indication of the potential projects or areas of investment under consideration ahead of portfolio development. • Established systems and resources that can manage and deliver LIPF objectives.

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Detailed readiness guidance

Each section below outlines in more detail what the assessors are looking for with additional information on the type of supporting materials that will help to strengthen responses, followed by further information for each theme. Each submission should consider:

- **Clarity and precision:** Responses should be concise and directly address each question within each theme.
- **Evidence-based:** Each response should be supported by relevant data with scope to include appendices that provide additional detail without overwhelming the submission.
- **Visual materials:** Where appropriate, consider including maps, charts, and diagrams that visually communicate complex data or relationships within the ecosystem.
- **Alignment with strategic goals:** All responses should have consistency with local growth plans, regional economic plans and national policy objectives.

1: Summary (word limit: 500 words)

In plain language, provide a summary that can be used to identify the most suitable experts to assess your submission. Clearly describe your submission in terms of:

- Context, geography, priority clusters and specialisms, highlighting unique advantage.
- The vision, innovation opportunity and investment potential of the priority clusters.
- The Triple Helix governance that will oversee the LIPF.
- Track record and outline project opportunities.

2. Strategic vision and priority clusters (word limit: 1000 words)

How closely aligned are the innovation objectives with economic growth plans, and how well-defined and evidenced are the priority cluster opportunities?

What assessors are looking for:

- **Cluster opportunities:** Clearly define priority innovation clusters, ensuring they are characterised by distinctive functional geographies, have clear specialisms and characteristics that make them unique, with evidence demonstrating their growth potential. Cluster opportunities should be focused, to support or build critical mass.
- **Economic strategy and vision:** Demonstrate how the opportunities of the identified clusters align with Local Growth Plan priorities (or similar), link to wider economic objectives alongside UK strategic objectives such as the Industrial Strategy. For Wales, Scotland and Northern Ireland, clusters can be linked with national strategic priorities or UK strategic objectives such as the Industrial Strategy where relevant.
- **Innovation strategy and priorities:** Outline how the identified clusters align with regional innovation priorities, demonstrating their contribution to regional objectives.

Additional guidance

- It is expected that proposed clusters will be linked to existing excellence, assets and areas of comparative advantage, demonstrating clear alignment with both local capability and national priorities. If there is potential for clusters to connect with neighbouring (or wider where appropriate) regional specialisms, partnerships should set that out.

- There is no prescribed number of clusters that is expected in a submission. However, it is strongly advised that submissions focus their LIPF investment to ensure clusters are funded to support critical mass, giving them the best chance of success to compete internationally. Partnerships should focus on scale, impact and ability to attract private sector investment, considering the optimal ratio of clusters and projects relative to the available funding, to form an impactful, deliverable portfolio where funding is not spread thinly across too many opportunities.
- It is recommended that submissions highlight how clusters will support or built on existing plans, including local funding, assets and levers (for example Industrial Strategy Zones) ensuring a strategic fit with broader development goals. It should also be made clear where there are already committed resources in support of these plans.
- If an existing innovation strategy or action plan is in place, it is recommended that clusters are presented within this strategic context, particularly if cluster development plans are underway. If no formal innovation strategy exists, clusters should be linked to the region's established economic and innovation priorities ensuring the proposed opportunities support and contribute to long-term growth and strategic outcomes.

Examples of supporting evidence to reference or include:

- **Maps of priority clusters:** Visuals setting out the functional economic geography of identified clusters and their relationship to local infrastructure, assets, and industry sectors. Highlighting size, scale and sectoral makeup within each cluster is required. Clusters may focus on a single sector or span multiple sector clusters but should have clear links with related innovation assets, plans or investments.
    - Where clusters are spread across large geographies, it must be evidenced how the different locations are connected. This should include identifying the focal points of activity and explain the relationship between different concentrations or specialisms. It may be useful to leverage national resources to support submissions, for example the DSIT Innovation Clusters Map.
- **Cluster opportunity:** Evidence of the growth potential of identified clusters, for example market analysis, sectoral trends, and evidence of demand/need.

3. Innovation strength and opportunity (word limit: 1000 words)

How mature is the local innovation ecosystem, what areas require intervention to accelerate innovation-led growth, and how effectively are key stakeholders collaborating?

What assessors are looking for:

- **Stage of maturity:** Describe the stage of maturity of the current innovation ecosystem, the related priority clusters (emerging vs established), and evidence of the R&D infrastructure, assets, and key actors that will support the opportunities identified:
- **Areas for intervention:** Identify market failures, barriers, or challenges within the innovation ecosystem that hinder growth but can be addressed through the LIPF and demonstrate how local investment and policy levers will be utilised in tandem.
- **Collaboration across the ecosystem:** Provide evidence of effective collaboration both within the Triple Helix partnership and across the ecosystem. This may include collaborative projects, programmes and priority setting, formal partnerships or joint ventures.

Additional guidance

- It is anticipated that submissions will range between supporting clusters within highly developed, mature ecosystems to less established but high-potential ecosystems which this programme aims to also help evolve. It is important submissions clearly articulate the stage of development of the ecosystem.
- Submissions must demonstrate the presence of the related R&D infrastructure, assets, local investment and policy levers to support growth and key actors that can support the opportunities outlined within the proposed clusters. This may include details on existing R&D facilities, innovation hubs, technology parks, or other relevant infrastructure, as well as the involvement of key businesses, supply chains, research institutions, or government bodies in the ecosystem.
- Submissions should provide brief examples that illustrate the need for intervention to accelerate innovation. This could include gaps in infrastructure, funding, or talent, as well as specific industry challenges.

Examples of supporting evidence:

- **Ecosystem studies:** Evidence from previous studies, including maps and diagrams that illustrates the key stakeholders and capabilities within the local innovation ecosystem and their relationship to proposed cluster opportunities.
- **Evidence of intervention need:** References from reports, studies or data which illustrate the gaps or barriers within the ecosystem, such as infrastructure, market readiness or talent shortage, and how these hinder innovation and cluster growth. This can include references to economic assessments, sector studies, independent reviews, national studies, and qualitative insights from key stakeholders.

4. Governance and leadership (word limit: 500 words)

How effective are the governance structures in place for overseeing innovation priorities, making strategic investment decisions, and ensuring transparency and fairness in decision-making processes?

What assessors are looking for:

- **Existing governance arrangements:** Present a clear governance framework capable of overseeing innovation priorities, making strategic judgements, and responsible for investment decisions.
- **Triple Helix representation:** Ensure the governance proposed includes, as a minimum, representation from business, academia, and government. This representation should be meaningful, with each partner having a clear and active role.
- **Transparency and accountability:** Outline how the governance structure ensures transparency and accountability throughout the decision-making process.

Additional guidance

- Some places may have an existing innovation board while others may choose to adapt an existing board or establish a LIPF-specific form of governance. Guidance on this is in section 2. As stated, proposals will be expected to demonstrate how the proposed governance will endure beyond the LIPF timescales.

- Provide an overview of the experience and capability the proposed governance has in monitoring and supporting the delivery of innovation projects. This may include where there are commitments from, or between, partners to work collaboratively. Where this is not possible, consider evidence that helps to demonstrate how those included in a proposed governance model have effectively coordinated resources and investment.
- Governance may also include other local partners, such as NHS bodies, institutional investors and social enterprises, or a Quadruple Helix approach. In these instances, it is recommended that proposals consider the capacity required to engage communities effectively and manage these relationships over the long-term.
- Proposals should demonstrate clear procedures for making and communicating joint decisions, providing assurances that mechanisms are in place to manage conflicts of interest and maintain the integrity of the process.

Examples of supporting evidence:

- **Governance structure diagram:** A visual representation of the governance structure, including the roles of key stakeholders and their relationship to one another.
- **Formal partnership agreement:** Any evidence which confirms there are existing formal agreements between partners set out the collaborative nature of the governance structure, for example references to a Memorandum of Understanding (MoU).

5. Operational capability (word limit: 1000 words)

How effectively can the place manage the portfolio of projects, ensuring that operational systems, processes, and track records are in place to deliver large-scale innovation projects and achieve the desired impact?

What assessors are looking for:

- **Confidence in delivery:** Demonstrate experience in managing large-scale innovation programmes (or similar), with a focus on delivering projects on time, within budget, and with secured matched funding.
- **Project pipeline:** Provide a brief indication of the projects being considered that can be delivered within the timeframe of the LIPF programme and that align with its objectives.
- **Operational systems and resources:** Provide a brief overview of the systems and resources in place to manage and deliver innovation projects.

Additional guidance

- Proposals are encouraged to demonstrate how lessons from previous programme delivery have been embedded, and how evaluation and feedback mechanisms will be used to adapt and improve delivery over the course of the LIPF. Submissions are encouraged to provide evidence or highlight experience in how they have successfully delivered outcomes effectively through other funding programmes
- It is recommended that proposals highlight the shared expertise and capacity within the governance partnership, ensuring that the necessary staffing, financial support, and infrastructure are available to successfully deliver the projects linked to the cluster. To

note, opex funding will be made available to support LIPF delivery and UKRI will discuss with places how this should be used depending on their existing operational capability.[4]

Examples of supporting evidence:

- **Previous innovation delivery:** Brief details on successful, relevant projects, highlighting examples of partner delivery, match funding, and how innovation has been translated into successful outcomes. This can be in a short, table format rather than long form case studies.
- **Project Portfolio:** A list of potential or ongoing projects linked to the priority clusters, including brief descriptions, stage of development, cost and expected outcomes.

[4] For places in the earmarked strand £300,000 will be available from April 2026, from within their overall award envelope to support operational expenditure. For places in the Competed Strand, £200,000 will be available to those places that are successful through the readiness EOI. Funding will be available following Ministerial announcement and will be from within that place's overall award envelope.

6 Portfolio Development

After the readiness check is complete, places will then move into developing their project portfolio and submit it for quality assurance by an independent expert panel. This is about assembling a set of projects, or coherent package of activity, that reflects local priorities and demonstrates how innovation investment can generate wider economic and social value. In considering their portfolio of projects, partnerships are encouraged to focus on scale and impact of their investments rather than spreading their investments too thinly. There is not a preferred makeup of portfolio or mix of project type – what is important is that places reflect on the most impactful opportunities available to them.

There are a core set of criteria that will need to be provided for each project that is put forward to ensure that sufficient information exists behind each opportunity and to provide confidence of deliverability. This is not intended to act as additional work as these details should either exist already or will at least need to be developed for any project to secure funding. An overview is set out in Table 3 followed by further detailed guidance.

Table 3. Portfolio criteria overview

THEME	WHAT ASSESSORS ARE LOOKING FOR
Opportunity and Analysis	Provide a project summary that outlines the rationale for intervention and the business need, technological challenge or market opportunity it addresses. Specify the type of project (e.g., research, development, infrastructure, etc.) and its alignment with the vision and objectives of the priority cluster.
Project Owner and Delivery	Demonstrate who will be delivering the project, their qualifications, and track record, evidencing their relevant experience, balance of skills and expertise, appropriate leadership and management skills. Highlight any key stakeholders or collaborators.
Pathway to Development	Provide clear dates for when the project will start and key milestones. Outline how the intended innovation will confidently reach its intended market or users.
Local Economic Impact	Provide an overview of the anticipated outputs and outcomes from the project and how it delivers against LIPF outcomes. This may include number of high-quality jobs created, new or improved infrastructure and new products, services and companies, and any other economic benefits. Outline when these outputs will be delivered within the proposed milestones and how it may deliver long-lasting impact on innovation capacity.
Risks	Outline the key risks involved in the project and the strategies in place to manage these risks, ensuring the project is delivered on time and on budget.
Resources and Cost Justification	Specify the amount of funding required, how it will be allocated and any other funding that will be committed. Justify how the resources will be used efficiently to deliver the project's objectives and how the funding enables the project to proceed quickly.

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Detailed portfolio guidance

The LIPF aims to fund high-quality proposals that support the development and growth of high-potential innovation clusters, enabling places to strengthen their competitive advantage and build critical mass. When identifying priority clusters, partnerships should consider the types of projects needed to unlock proposed opportunities, so at portfolio development stage, the focus is on articulating the outcomes these projects intend to deliver, and the level of funding required. This is to provide assurance that the proposed clusters are underpinned by a credible, related pipeline of projects that are deliverable and investable.

Partnerships are encouraged to consider the scale and impact these projects could deliver, focusing on depth rather than spreading investment too thinly. They should also achieve a balance across the portfolio, recognising that some sectors attract substantial matched funding while others may be prioritised for their strategic importance. Portfolio development is about bringing these elements together as a cohesive programme. Projects within a portfolio will likely be at different levels of readiness and may not all start simultaneously, but they must be delivered within the LIPF timeframe. Where places are ready to work at pace, UKRI will be responsive.

There is no single method for assembling or prioritising a project portfolio. Partnerships may already have a set of priority projects, or they may wish to invite proposals through a competitive call. UKRI will not mandate an approach, and partnerships are free to determine the approach that works best, provided it results in a credible portfolio. It is recommended any process is shaped by the local context, governance and strategy with sufficient clarity on why the final portfolio represents the strongest opportunity. In identifying projects, partnerships should ensure the opportunity is publicised so that all appropriate organisations are made aware, helping to ensure high-quality cost-effective projects and outcomes.

For those within the Earmarked Strand, UKRI recognises the value of retaining some flexibility in how portfolios are assembled and has built this into the submission process. Partnerships are not required to commit their entire allocation at the outset and may reserve a portion of funding to support projects that emerge after the initial portfolio submission. This enables partnerships to develop a more strategic portfolio, ensuring that high-potential projects which require further development can still be brought forward within the lifetime of the LIPF. However, 80% of earmarked funding must be committed at the point of initial submission and demonstrate the ability to deliver the minimum requirement of 2:1 matched funding over the lifetime of the programme. The remaining 20% may be held in reserve, to provide partnerships with the flexibility to incorporate additional projects as they are identified but they must be allocated by the end of year 3.

The portfolio assessment step within LIPF ensures that UKRI complies with its duties in relation to managing public money and awarding grants. It is also designed to provide UKRI with a firm understanding of the individual projects submitted, the activities they will fund, and the outcomes they will deliver. As with the readiness check, each section below sets out what assessors will be looking for and the required information that demonstrates projects are sufficiently developed and capable of delivering the outcomes described – a quality threshold. Criteria 1 is to be completed for the overall portfolio. Criteria 2 to 7 are to be completed for each project. This is not intended to create significant additional work as projects which are expected to be ready for funding in 2026 should already hold much of the information required. Following a quality assurance review by the panel, partnerships will be able to choose their final portfolio from those projects that are deemed at or above the quality threshold.

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1: Portfolio summary (word limit: 500 words)

In plain language, provide a summary that can be used to identify the most suitable experts to assess your project portfolio. Clearly describe your proposal in terms of:

- An overview of the projects put forward and the selection process.
- Where relevant, how individual projects complement one another and how the portfolio as a whole creates additionality.
- How the portfolio reflects both short-term deliverability and long-term impact aligned to economic and innovation objectives.

2. Opportunity and analysis (word limit: 500 words)

What is the opportunity you are looking to exploit or what challenge will your project address?

What assessors are looking for:

- **Project description**: Summarise what the project is and what it aims to achieve.
- **Market opportunity**: Describe how the proposed project will address a business need, technological challenge or exploit a market opportunity.
- **Strategic fit**: Set out how the proposed project links to identified priority clusters, strategic vision and innovation priorities set out within the readiness check.

3. Project owner and delivery (word limit: 500 words)

Why are you the right individual or team to successfully deliver the proposed work?

What assessors are looking for:

- **Responsibilities**: Highlight the roles of any partners, collaborators, or stakeholders who will support the project's delivery.
- **Experience**: Demonstrate the qualifications, skills and experience, and capabilities of the project team, highlighting their track record in successfully delivering similar projects.

4. Pathway to development (word limit: 500 words)

How would your proposed project progress the innovation towards its intended user(s) or market(s)?

What assessors are looking for:

- **Development plan:** Explain how the proposed project will lead to the development or deployment of a new or improved product, service, or technology.
- **Timeline and phasing:** Outline project start and end dates, with key milestones and deliverables, and how it will be delivered within the timeframe of the LIPF.

Examples of supporting evidence:

- **Gantt chart or timeline**: A visual timeline showing key project phases, milestones, and timelines for delivery.

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5. Local economic impact (word limit: 500 words)

What is the intended uplift in growth and/or productivity as a result of the activities proposed?

What assessors are looking for:

- **Outputs**: Provide an overview of the economic benefits delivered by the project, including job creation, productivity improvements, and gross value added.
- **Impact**: Quantify the potential impact where possible, using data or projections to show how the project will affect local employment, business activity, or other key metrics.
- **Outcomes**: Describe how the project will contribute to local or regional economic growth and align with economic objectives.

Examples of supporting evidence:

- **Output/metrics tables**: providing evidence on how the outputs and impact have been calculated for each project.

6. Risks (word limit: 500 words)

What are the main risks for this project?

What assessors are looking for:

- **Primary risks**: Identify the key risks associated with project delivery and the strategies in place to mitigate or manage these risks.

Examples of supporting evidence:

- **Risk management plan:** outlining the identified risks, likelihood and mitigation measures.

7. Resources and cost justification (word limit: 500 words)

What will you need to deliver your proposed work and how much will it cost?

What assessors are looking for:

- **Resources required**: Provide a breakdown of what is required to deliver the project including staff, funding and other key inputs.
- **Match funding**: Demonstrate how the project will leverage follow-on private sector investment in order to bring future sustainability. This criteria is set out in section 3.
- **Budget**: Present a budget that outlines the cost of each project phase and justifies how the funding will be allocated.

Examples of supporting evidence:

- **Budget breakdown**: an itemised budget showing the cost of each phase, category of expenditure and any additional funding or in-kind contributions.

7 Submission process

In both strands, the submission process is managed through the Triple Helix partnership, with a nominated 'lead bidder'. In recognition that places are at different stages of readiness, UKRI has adopted a waved approach to submission. This provides partnerships with a choice in the timing of their submissions. The exception to this is the submission date for those in the Competed Strand submitting an initial readiness EOI where there is a single closing date. This supports an open and transparent development phase with an objective and timely decision period.

All proposals will be subject to a readiness check; via UKRI's Funding Service. Following the readiness check, places earmarked for funding and those in the Competed Strand that are successful through the readiness EOI will be invited to put forward a portfolio of projects aligned to their funding envelope. These proposals will be reviewed by an expert panel for that wave. This is set out in the sections below.

Panel review

As with other research and innovation programmes, UKRI will use an expert assessment to ensure high-quality, objective, and timely decisions for research funding, appointing independent experts with relevant expertise to evaluate submissions against established criteria. This process has been proven to improve the quality and rigor of the research funding process, ensuring public funds are invested wisely, while providing valuable feedback to applicants; it forms the backbone of the UK's world class research and innovation system. These panels are comprised of individuals drawn from across business, academia, and the public and non-profit sectors, ensuring a diversity of perspective and experience.

The LIPF process has been designed so partnerships provide concise but sufficient detail on the opportunities within their region and on the projects that will aim to realise these opportunities to support regional growth. Panel members will review proposals against the readiness and portfolio criteria outlined, making evidence-based judgements grounded in expertise. Each panel member will be assigned a number of submissions to review prior to the meeting, and each submission will be reviewed by at least two panel members to ensure fairness and consistency. UKRI will take appropriate steps to manage conflicts of interest. Where conflicts of interest are identified, panel members will not review those submissions.

The primary role of the panels is to provide assurances on quality and readiness, ensuring that places have the foundational elements in place to effectively manage and deploy LIPF funding and that proposed projects are deliverable, investable and represent value for public money. For example, when reviewing the readiness check submissions, the expert panel will make recommendations to ensure a balanced and fair distribution of funding across geographies and sectors, contributing to both local priorities presented by partnerships and national capability. This may involve reviewing situations where a concentration of bids through the Competed Strand stem from one area of the UK or focus on supporting the same sector. For the portfolio stage, their role is to ensure that projects are sufficiently developed and capable of delivering the outcomes described – a quality threshold. This is the minimum standard that projects must meet to be considered for funding and ensures that only proposals that are of sufficiently high quality are supported. Recognising the importance of transparency, feedback will be provided to partnerships. In exceptional cases, where a proposal demonstrates strong potential but requires further evidence to confirm deliverability, partnerships may be invited to resubmit if time allows.

This approach provides assurance that decisions are made on a fair, consistent, and independent basis. By combining expertise from across the innovation system, the panel process ensures that funding allocations support the strongest opportunities to maximise the overall impact of the LIPF.

Earmarked Strand

The Earmarked Strand will allocate awards to places which have established governance, the ability to leverage devolved powers and funding streams with the LIPF, and greater capacity to support innovation, enabling them to achieve a higher level of impact.

The readiness check in this strand is designed to build a clear understanding of the cluster opportunities within each place. While this does not inform specific funding decisions at this stage, it is a critical step in informing UKRI's view of local delivery capacity, the shape of the emerging national portfolio and the clusters which are being prioritised. Submissions will be made via UKRI's Funding Service where partnerships will be required to submit responses to the criteria set out in this guidance document. For each question, there will be an option to attach a limited number of supporting materials.

This process is not intended to be a pass/fail for earmarked regions. Where partnerships do not initially meet all criteria, UKRI will work with them to strengthen their proposals and enable resubmission.

The subsequent portfolio stage focuses on providing evidence and clarity on individual projects that are put forward for funding. Its primary purpose is for partnerships to provide assurances that proposed projects are deliverable, will drive cluster growth, and can confidently achieve tangible outcomes. A secondary focus is on how the projects fit together as a coherent portfolio, to what extent they support the development of national capability, and how they will contribute towards the economic growth mission. Following a quality assurance review by the panel, partnerships will be able to choose their final portfolio from those projects that are deemed at or above the quality threshold.

This process is delivered across two waves.

- **Wave 1** is for those partnerships who are ready to move at pace. More mature and experienced partnerships are expected to participate within this wave. Given the timescales between programme launch and readiness submission, applicants should consider how quickly they can develop a high-quality response before moving into portfolio development. Proposals that do not contain sufficient information will be required to re-submit as part of wave 2.
- **Wave 2** provides additional time for places to prioritise their clusters, for example, those partnerships in earlier stages of ecosystem development. Partnerships using this wave are encouraged to begin identifying and developing potential projects early, allowing them to focus on individual project development and prioritisation during the portfolio stage, demonstrating credible activity pipelines and capability.

It is possible for partnerships to swap from wave 1 to wave 2 following the readiness check if that timeline suits them better. As the Earmarked Strand is not competitive, co-creation begins immediately upon the opening of the call. Partnerships are encouraged to consider what forms of support would be of greatest benefit at different stages of the process and to engage proactively with UKRI.

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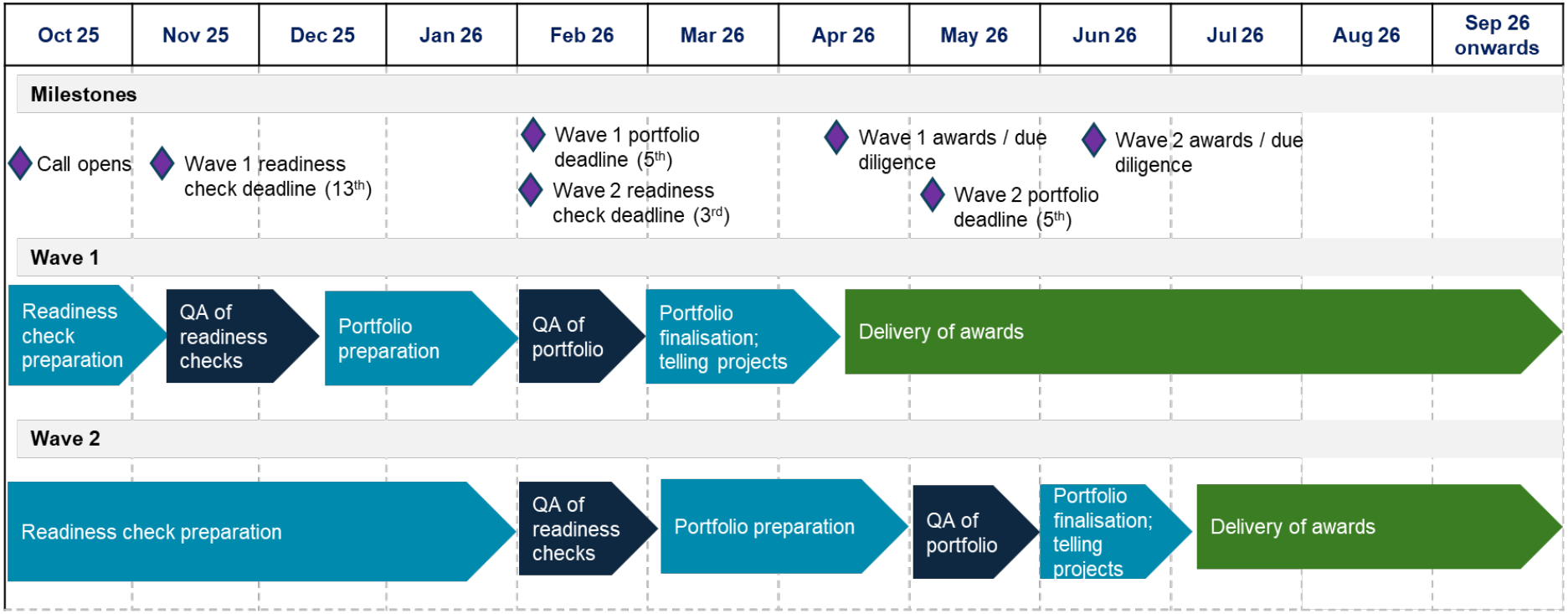
Figure 3. Earmarked strand timescales



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Competed Strand

The Competed Strand allows for proposals from places outside the earmarked awards. It is designed to support a diverse range of innovation partnerships across the UK, both city regions and those which have a different functional economic geography such as more rural or polycentric regions.

In cases where multiple clusters are identified within large geographies, UKRI strongly advises that these are submitted as part of a **single submission, managed by one cohesive partnership**. Multiple bids from the same geography, submitted by individual cohorts, will not be able to demonstrate the regional leadership and collaboration the LIPF is looking for. To meet the fund's criteria and ensure alignment across the innovation ecosystem, it is essential that partnerships show a unified approach. The readiness check will then be used to determine which proposals can progress to the next stage.

An expert panel will be used to independently assess all proposals across the UK against the set criteria. **Final decisions on those places that are successful through this readiness EOI will be made by Ministers at the Department for Science, Innovation and Technology**. In doing so, they will consider the recommendations from the expert panel, in the context of the activities being supported in places within the Earmarked Strand.

The timeline for the readiness review process reflects the volume of responses anticipated, although it may be extended if necessary.

Places that are successful will proceed into portfolio development and co-creation with UKRI. As with the Earmarked Strand, this has been shaped around two waves:

- **Wave 1** is intended for existing, established partnerships with developed propositions that can move forward quickly.
- **Wave 2** will accommodate partnerships who require additional time to assemble and prioritise project portfolios, alongside any from Wave 1 that may need to provide further evidence or revisions.

As with the Earmarked strand, the portfolio stage focuses on providing evidence and clarity on individual projects that are put forward for funding. Its primary purpose is for partnerships to provide assurances that proposed projects are deliverable, will drive cluster growth, and can confidently achieve tangible outcomes. A secondary focus is on how the projects fit together as a coherent portfolio, to what extent they support the development of national capability, and how they will contribute towards the economic growth mission. Following a quality assurance review by the panel, partnerships will be able to choose their final portfolio from those projects that are deemed at or above the quality threshold.

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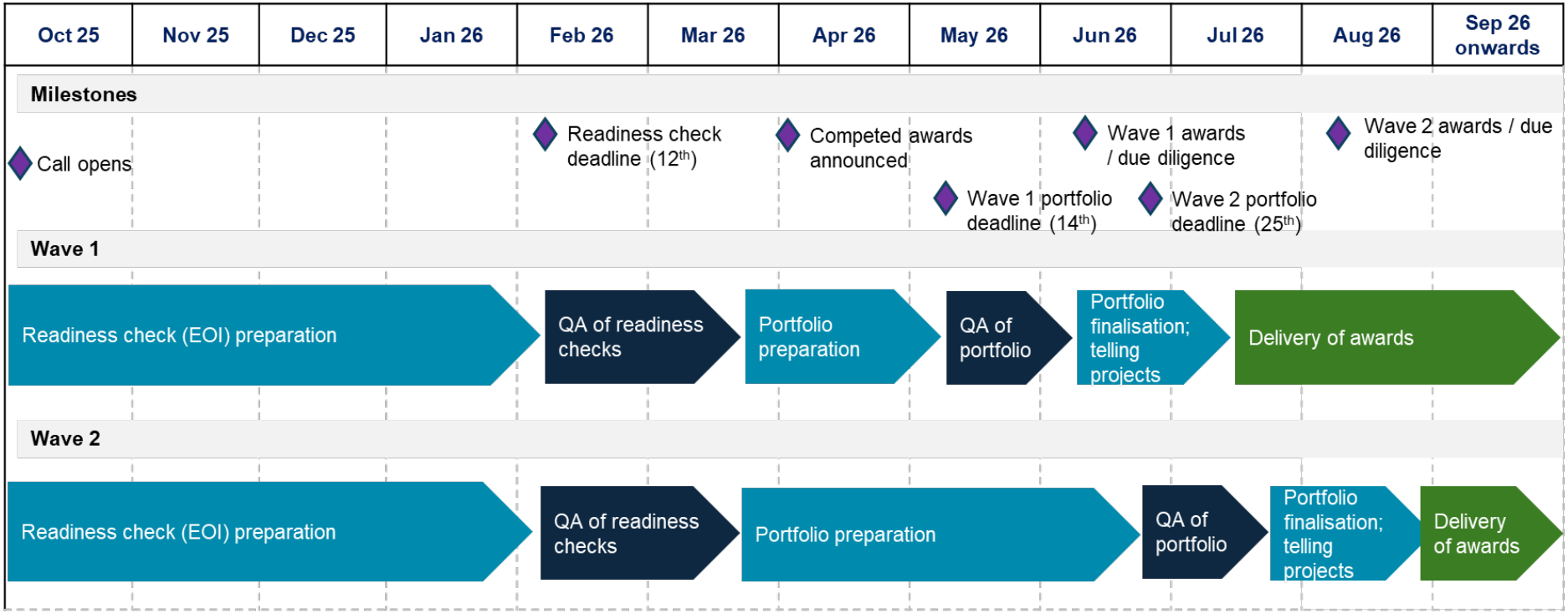
Figure 4. Competed strand timescales



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Annex: Example governance arrangements

Introduction

The Local Innovation Partnerships Fund (LIPF) is rooted in the 'Triple Helix' – local partnerships between civic institutions, business and research organisations that will work with UKRI in co-creation. Partnerships should decide jointly what governance framework will be most effective for their circumstances. This could be using an existing innovation board, adapting a different board, or setting up a new, LIPF-specific board. UKRI's requirements are that the governance:

- Includes clear, meaningful and active roles for each Triple Helix partner.
- Has the capability and capacity to oversee, coordinate and make strategic judgments about innovation activities funded through the LIPF, in line with local economic priorities.
- Has transparent, accountable decision-making processes with mechanisms to manage conflicts of interest appropriately.
- Strengthens regional innovation capacity and leadership, with a clear commitment to operate on a long-term and sustainable basis.

This annex provides an illustrative example of a LIPF-specific board to help guide new or prospective partnerships, reflecting what has worked well in the Innovation Accelerator pilot programme.

Example membership[5]

- **Core members, including a nominated chair:** representatives from each element of the Triple Helix who have the credibility, experience and authority to command the confidence and act on behalf of the local innovation ecosystem. The role of these members is to provide leadership and make decisions in the collective interests of the proposed clusters and local innovation ecosystem, rather than acting solely in the interests of their individual institutions.
- **Observers:** UKRI representative and other related ecosystem partners with a direct stake or commitment to the success of the partnership and priority clusters (e.g. other businesses or research organisations not in the core membership, community groups, institutional investors).

Example responsibilities

Decision-making and delivery:

- Be accountable for selecting and prioritising projects for the LIPF to fund in [*x* place] ('the portfolio') and managing the financials of the portfolio within budget, reviewing resource use over time and securing appropriate match funding.
- Have oversight of, and responsibility for, the delivery of the portfolio, managing it as a coherent ecosystem of interventions (e.g. recognising and addressing

[5] As set out in the LIPF guidance, these are the required partners. Some partnerships may include others, such as NHS bodies, institutional investors, social enterprises and community groups.

interdependencies) and making recommendations to project leads as needed reflecting the experience of the proposed partnership.

- Take decisions in the interests of the local innovation ecosystem as a whole, ensuring that delivery activity reflects shared priorities.
- Establish appropriate monitoring and evaluation to measure the impact of the portfolio, in line with the requirements of the overall LIPF programme.

Strategic direction and alignment:

- Maintain the portfolio's focus on delivering against the objectives of the overall LIPF programme throughout its lifetime, as set out in the UKRI guidance.
- Strengthen regional innovation leadership by embedding governance arrangements that are capable of sustaining collaboration and capacity beyond the lifetime of the fund.
- Ensure the alignment of the portfolio to relevant local economic strategies, drawing in other local levers to amplify the impact of the activities.
- Report on progress to the national LIPF programme board (for example, if a risk needs to be escalated).

Convening and advocacy:

- Act as a convening forum for local innovation ecosystem actors, building connectivity across sectors, institutions, and communities.
- Build external relationships with other LIPF-funded regions to share best practice and develop collaboration opportunities, alongside ensuring capacity is in place to engage with UKRI and partners.
- Champion the place's innovation agenda, promoting the value of LIPF-funded activity locally and nationally, and strengthening collaboration among partners.
- Advocate collectively for the place's innovation strengths, presenting a unified voice that reflects the breadth of the ecosystem.