



Local Innovation Partnerships Fund

Initial Guidance Document

July 2025



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1 Initial guidance and timescales

This guidance document sets out the proposed framework, principles, and indicative process for the Local Innovation Partnerships Fund (LIPF). It has been prepared and published by UK Research and Innovation (UKRI) to provide early guidance, enabling places to begin preparatory activities in response to the proposed assessment process.

In designing the LIPF, it is recognised that each place is unique and there is no one-size-fits-all approach to achieving successful innovation outcomes. While UKRI is spearheading the programme, it is the expertise and local knowledge of places that will be critical to its success. This programme draws on the valuable lessons learned from the Innovation Accelerator pilot programme and Strength in Places Fund, recognising that places have diverse starting points and capabilities. There is no definitive or universally applicable formula for success of a programme like this which targets many different distinctive regions, but through the LIPF, UKRI is looking to collaborate closely with places to understand their needs, harness their strengths, and direct investment where it will have the most impact.

The programme is designed to work in partnership with local stakeholders. UKRI will provide leadership and specialist support, but will rely on the excellence, insight, and capabilities within places to determine the best strategies for their growth and development. By doing so, this ensures that the right investment is made in the right areas, tailored to the unique opportunities and challenges in each place. This collaborative approach will be crucial in driving the sustained impact and innovation that the LIPF seeks to support.

At the time of publication, **the LIPF business case remains subject to approval** through the government's standard business case approvals process. This means there are certain details on delivery elements and timescales that cannot be included at this point. However, in the **interest of transparency and reflecting the value of sharing information iteratively with places, this guidance is being issued at this early stage.**

The reason for publishing this guidance document is to provide places with advance sight of the readiness criteria, providing local and regional partners with enough time to reflect on their current position, begin to consider where support may be required, and lay the groundwork for a formal submission. As details are still to be finalised, the **programme timescales are indicative and set out programme stages through to April 2026.** Please note that this document does not constitute a formal call for proposals and it is noted throughout this document that various elements may be subject to change.

UKRI will provide **further guidance on expectations and timelines in the autumn**, including detailed information on the Earmarked and Competed strands, the format for responding to the proposed readiness criteria, the UKRI co-creation approach, and expectations around project portfolios and delivery. Places are advised to use this initial guidance as a planning tool to ensure that they are in a good position to respond to the call when it opens.

2 Local Innovation Partnership Fund

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.

The LIPF is built on the premise that the conditions for innovation-led growth, and the ability to capitalise on opportunities in places, are dependent on strong local leadership and effective collaboration between civic institutions, business and universities. This model of collaboration is often described as the 'Triple Helix'. To achieve these growth ambitions, decision making and delivery should be rooted in the distinctive strengths of local economies and led by those who best understand the needs and opportunities of their place. The LIPF puts this local leadership at the heart of the programme, empowering partners to build on existing investments, assets and initiatives to maximise long-term impact.

This model of locally aligned leadership has already proven effective in previous UKRI programmes, such as the [Innovation Accelerator pilot programme](#) and [Strength in Places Fund](#). These initiatives demonstrated how 'Triple Helix' governance, often in the form of innovation boards, can identify high-value investment opportunities and support the growth of local innovation clusters. In practice, this means responsibilities are shared across a partnership rather than by an individual partner, thereby balancing organisational priorities with the wider needs of a place. This principle is at the core of the LIPF, designed to encourage this form of collaborative 'Triple Helix' innovation leadership to deliver genuine impact at scale. Places will be asked to demonstrate such a governance model is in place.

Innovation clusters present a means 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 programme invites places, through their local partnerships, to put forward investable propositions which enable **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, capabilities and firms.

The funding announced in the Spending Review will be deployed across two strands – an **Earmarked Strand** for the seven places with an existing Established Mayoral Strategic Authority (as set out in the English Devolution White Paper) and identified regions in Scotland, Wales and Northern Ireland; and a **Competed Strand** open to the rest of the UK.

Ultimately, the LIPF is about harnessing high-potential clusters to drive economic growth, deliver impact at scale and build long-lasting innovation capacity in places. Places will be asked to submit project portfolios that directly support the growth of these clusters, shaped around 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 convert research excellence into tangible products, services, or technologies that deliver impact through increased productivity, greater investment, and the creation of 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.

3 Eligible Applicants

The LIPF is structured around two distinctive strands. This approach reflects the current devolution landscape while also recognising that places will have differing levels of resource, capabilities and levers available to support innovation within their regional economy.

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 absorptive capacity for innovation, enabling them to achieve a higher level of impact. Places within this category include the seven places in England with Established Mayoral Strategic Authorities as set out in the English Devolution White Paper, and identified regions in Scotland, Wales and Northern Ireland.

The **Competed Strand** introduces a competitive route, in the form of an Expression of Interest (EOI), to enable other places with high-potential clusters to put forward proposals, recognising that cluster opportunities are not limited to areas with formal devolution arrangements. This is deliberately designed to support a diverse range of places across the UK, both city regions and those which have a different functional economic geography such as more rural or polycentric regions.

Submissions are invited from 'Triple Helix' partnerships that can develop a compelling portfolio of activities that support the development of high potential innovation clusters within their places. While the core of this partnership is expected to be based around the core 'Triple Helix' model, it can be flexible and extend beyond this to incorporate other local leadership partners, such as NHS bodies, institutional investors and social enterprises. Additionally, some places may choose to integrate community groups, or community engagement, reflecting a 'Quadruple Helix' approach that incorporates civil society and community engagement into decision-making. Ultimately, it is for individual places to decide on the governance that is most appropriate to drive cluster development, but places are advised to carefully consider the capacity required to engage communities effectively and manage these relationships.

Building on the experience of Strength in Places Fund, the LIPF aims to support places in building long-lasting innovation leadership and capacity by convening key organisations within the 'Triple Helix'. The intention is that the process of engaging with multiple stakeholders around the development of innovative clusters and the wider ecosystem will create lasting value and drive long-term impact. Applicants are therefore encouraged to consider the long-term sustainability of any partnership, including how the governance and collaborative working established could be maintained beyond the lifetime of the programme. These partnerships will be expected to have written agreements that set out how they will work collaboratively.

Further details on each strand, including key submission considerations and requirements, are outlined in Table 1.

Table 1. Applicant categories

	Earmarked Strand	Competed Strand
Definition	<p>At least £30 million for each of the ten regions already earmarked by the Government.</p> <p>These places are Greater Manchester, Greater London, Liverpool City Region, North East, South Yorkshire, West Midlands, West Yorkshire, and an identified region in each of Scotland, Wales and Northern Ireland that will be confirmed in due course¹.</p>	<p>Up to £20 million per place.</p> <p>This category is open to Triple Helix partnerships across the rest of the UK and will be managed in the form of an Expression of Interest.</p> <p>To note, places in receipt of an Earmarked Award will not be eligible to apply under this strand.</p>
Considerations	<ul style="list-style-type: none"> • Submissions should clearly define the geography of their innovation ecosystem and the related cluster opportunities which may transcend administrative boundaries. • If multiple clusters are proposed, demonstrate how a project portfolio can deliver significant impact and create synergies across clusters. • Places that were part of the Innovation Accelerator Pilot programme will be familiar with the proposed process and will be expected to submit well-developed and ambitious proposals. • Places are encouraged to build on existing models of success, such as assets and programmes, which have high potential for scale. 	<ul style="list-style-type: none"> • The Competed strand provides an opportunity for places across the UK, outside of the earmarked regions, to demonstrate how to support innovation in more polycentric geographies. • Any proposed partnership must operate within a defined functional economic geography and clearly evidenced cluster(s). • Submissions should consider collaboration options both within and beyond administrative boundaries and ensure proposals have the required scale of impact. • This is also an opportunity to identify and develop propositions that may be eligible for funding from other UKRI programmes if unsuccessful within the LIPF.

LIPF co-design principles

The LIPF will not operate as a ‘typical’ UKRI call. **Locally empowered decision-making** and **co-creation** are at the heart of the programme, designed to strengthen local capabilities rather than duplicate. This approach means UKRI will work closely with local partnerships to help shape their LIPF portfolios, recognising places will require varying levels of input. This may include advising on strengthening the opportunity linked to identified priority clusters, advising on project portfolio creation, supporting project prioritisation processes, assessing individual projects’ deliverability and impact, and by acting as a critical friend in the lead-up to funding being released.

¹ The English Devolution White Paper creates scope for new Established Mayoral Strategic Authorities to be designated in future. Eligibility for the LIPF funding awarded through the 2025 Spending Review has been set based on status at the publication of the White Paper.

UKRI will draw on its existing engagement capacity to build and maintain close working relationships with local partners, bringing in relevant sectoral or disciplinary specialists from across research, industry, and government. UKRI will also encourage broader collaboration across and within the programme supporting shared learning alongside creating opportunities for participants of the Innovation Accelerator Pilot programme to share insights and best practice.

A key priority will be supporting the development of strong project portfolios that are aligned with local (for example, Local Growth Plan) and national (for example, Industrial Strategy sectors) policy priorities and how existing initiatives, investments and local levers can be used to support long-term growth. In preparation, places should consider how the LIPF investment can align with and strengthen existing regional capabilities, such as scaling successful pilot programmes, enhance regional innovation assets, and leverage funding. UKRI will provide comprehensive guidance and support to ensure that all submissions are of high quality and align with the fund's objectives, enabling a swift and effective response.

Further details on the UKRI co-creation approach will follow in autumn.

4 Readiness Check

In advance of any project portfolio submission, **all places** within both strands will undergo a readiness check against a set of criteria outlined in Figure 1. At its core, this readiness check is designed to determine whether places have the essential foundations that will support timely investment of LIPF funding. This includes confirming that places have the means to assemble a credible project portfolio, an established or adaptable governance capable of guiding investment decisions, and the operational capacity needed for implementation.

These criteria are structured around four themes, designed to assess the vision for innovation and strength of cluster opportunities; the maturity of the local innovation ecosystem and identified areas for intervention; the robustness of governance and decision-making processes; and the ability to deploy funding effectively and fairly in line with LIPF objectives and timelines. This readiness check will also enable UKRI to ensure there is clear alignment to national priorities and balance across the LIPF portfolio, while identifying the necessary co-creation inputs required within each strand.

Specific guidance on how to respond to this readiness check will be provided in due course, where places will be asked to provide evidence against the criteria to demonstrate that the required foundations are in place. Responses should be concise, well-evidenced, and organised according to the four themes. Submissions are not expected to be lengthy documents and will be limited by a specified number of pages but can be supported by appendices referencing additional relevant information.

This is an opportunity for places to articulate a clear vision for how innovation will contribute to the economic growth ambitions set out in their Local Growth Plan (or equivalent economic / innovation strategy), demonstrating within their response that a credible plan of action is in place that will ensure the investments for LIPF will support the realisation of that vision.

It is recommended that places within the **Earmarked Strand** begin preparing their response to these criteria in advance of their formal submission later in the year. For places which are seeking funding through the **Competed Strand** the readiness check will form the basis of an EOI in which the readiness criteria will be used to assess which places have the strongest case for progression.

Figure 1. Readiness check criteria



4. Operational Capability

Assessing the capacity, experience, and systems in place to deliver innovation programmes effectively and at scale.

- Is there a demonstrable track record of managing and delivering innovation programmes at scale, on time, and with strong levels of matched funding?
- Is there a defined set of projects, a managed project pipeline, or a structured process for identifying and assembling new projects, to create a portfolio that is ready for investment and aligned with strategic innovation objectives?
- Are there existing resources, systems, and processes in place to implement LIPF effectively, including delivery monitoring, risk management, and progress reporting?

5 Eligible Activity for Funding

The LIPF is designed to support research and development (R&D) activities that accelerate commercial application and unlock private investment. To be eligible for funding, proposals must meet certain criteria around the type of activities that will be supported, in addition to having a clear focus on how these activities will support the development of innovation clusters. Given the emphasis on near-to-market innovation, research and development, and commercial application, projects that are focused solely on early discovery or ‘blue-sky’ research are **not** in scope for funding. Furthermore, activities put forward for funding should not be financially reliant on sustained UKRI funding, either concluding within the programme window or sustained by other sources.

Further details on R&D 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.² As the programme uses standard CDEL R&D funding, both traditional capital expenditure and programme expenditure that can be capitalised under government rules for R&D are in scope.

The definition of eligible activity has been kept intentionally broad to provide flexibility for places in shaping their portfolio. As part of the co-creation approach, UKRI will work with places to support the development of the project portfolio, ensuring alignment with existing national capability. There are however several areas of interest, including projects which:

- Build on existing innovation activities or successful models that could be replicated or scaled in other regions of the UK.
- Support the development and expansion of cross-cutting technologies that enhance or provide complementary benefits across multiple growth sectors and clusters.
- Focus on the downstream end of R&D such as market-entry, export development and business/technology scaling.
- Converting research excellence into products, services or technologies, focusing on near-to-market innovation and commercial application.

² [HMT, Annex C: Guidance on Research and Development under ESA 10](#)

A non-exhaustive list of eligible activities that the LIPF can fund is set out below.

Activity	Description
Research commercialisation	Technology transfer to industry; new product development; industry collaboration; Intellectual Property (IP) protection; securing patents, copyrights, or trademarks for research outcomes.
Adoption and diffusion of new technologies	Support for approaches that enable the adoption and diffusion of cutting-edge technologies by businesses including enabling access to innovation assets to enable 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.

Portfolio Development and Match Funding

Places are encouraged to consider a portfolio approach when submitting proposals, managing a range of projects that are clearly aligned with one or more defined cluster opportunities. Places should prioritise clusters which have the greatest growth potential and are aligned with local and national priorities. There will be no prescriptive list of industries to focus on, places will instead be asked to provide clear evidence on their clusters of comparative advantage and develop projects around these.

The focus of the portfolio should be on high-quality, ready-to-invest proposals that can deliver significant impact. Places should carefully consider how many priority clusters they target, ensuring that funding is effectively balanced to support substantial growth opportunities, rather than spreading resources across a large number of projects with smaller scale impact. Consideration should also be given to the balance of sectors noting that some can secure sufficient matched funding while others may be prioritised for strategic reasons. Further guidance on project portfolio development will be shared, including key takeaways from the Innovation Accelerator pilot programme and Strength in Places Fund.

While this programme is focused on identifying new activity that will deliver impact, it is recognised that many places will manage an existing project portfolio or pipeline, which may contain live proposals of significant scale that could be unlocked quickly through the LIPF. In preparing responses, places within both strands should consider whether there are existing credible innovation propositions or ideas that could be further developed through the LIPF. These must be relevant to the objective of the LIPF and represent an appropriate strategic intervention. Where places are ready to work at pace, UKRI will be responsive.

The portfolios of activities within a place will be expected to demonstrate a minimum 2:1 ratio of private to public investment **across the entire portfolio and its lifespan**, not on a per-project basis, and 1:1 ratio **during the delivery phase**. The LIPF should be seen as a means to de-risk innovation and crowd in additional investment from partners, the private sector and institutional investors to advance promising technologies, solutions, and businesses. As per the Innovation Accelerator pilot programme, this would encompass upfront industry co-investment right through to follow-on funding, spanning four types of investment:

- **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.
- **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.
- **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.

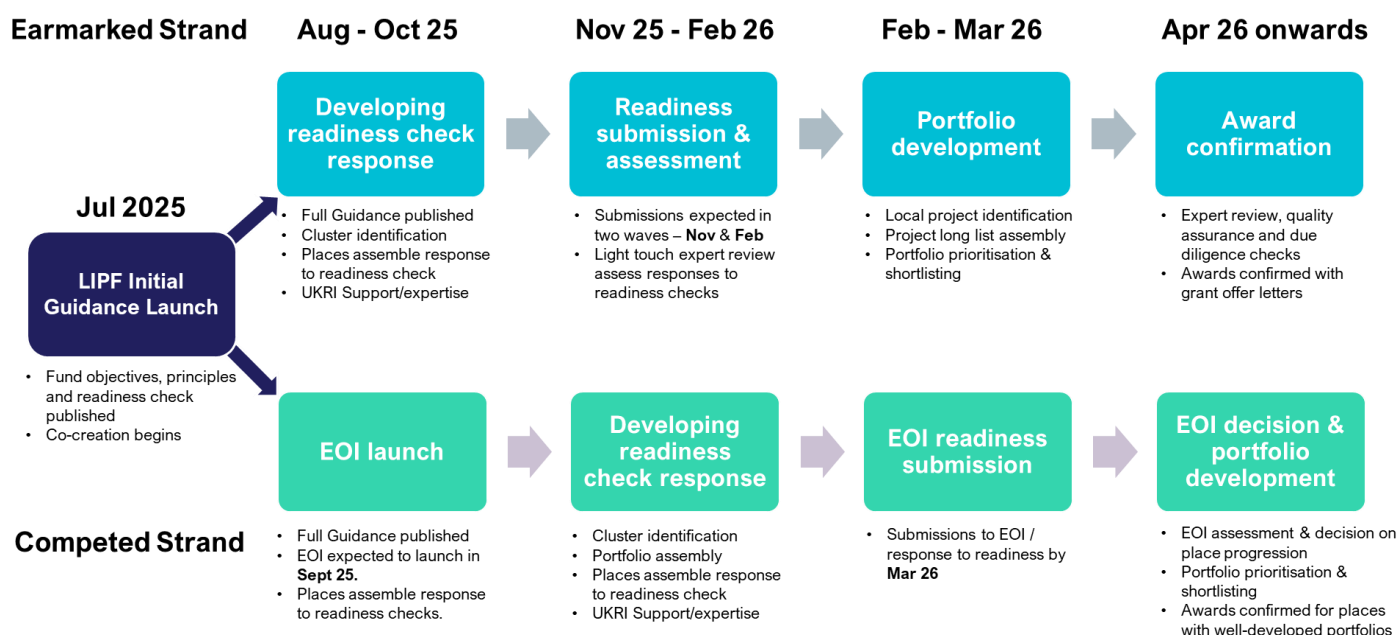
6 Process and Next Steps

This initial guidance document provides an overview of the objectives of the LIPF, the parameters of the readiness check criteria and the types of activity eligible for funding. This section outlines an **indicative process** as the LIPF remains subject to the government's standard approvals process. As a result, it only covers up to April 2026 when funding is set to be made available. The **timings included are also indicative** at this point, noting that following the readiness check and light touch expert review, the pace will largely be determined by places. It is anticipated that some places will have a well-established portfolio and be ready to move quickly, while others may take longer to identify and assemble their portfolio.

Timings illustrate the quickest route for places to secure awards. For the Earmarked Strand, the submission process is designed around two waves. The November 2025 submission is intended for those who choose to progress at pace, while the February 2026 submission provides additional time for those who require further preparation.

More **detailed guidance and information on processes relating to both strands will be issued in the autumn**. This will include clarity on timescales after April 2026, expanding on the Competed Strand phases, alongside details on the required format for responding to the proposed readiness criteria and further information on the UKRI co-creation offer.

Figure 2. LIPF process overview



In the coming weeks, places are encouraged to review the readiness check criteria and begin assessing their position against the questions within each of the four categories. As part of this process, it is important to consider where there are existing strengths, including existing priority cluster areas, alongside any potential gaps prior to developing a full response. While further guidance will be issued regarding the specific requirements and parameters of the responses, the expectation is that submissions will be succinct and within a specified page limit. These submissions will need to provide clear and substantiated evidence to support all claims made. Appendices will be optional but may be used to include visuals and additional data to reinforce the narrative.

Due to timescales, readiness check submissions are expected to be final for both strands. To support places in preparing their responses, UKRI will offer briefing sessions, workshops, and Q&As, ensuring that places have the guidance and support required. These sessions are designed to provide clarity and address any questions, so places can submit their proposals with confidence. Final submissions will then be subject to expert panel review, assessing the strength of responses. Following the readiness check, UKRI will work alongside places to feed into refining high-quality project portfolios. This collaborative process will provide ongoing support and access to expertise, supporting places to develop their ideas further. At this stage, it is strongly recommended that places begin considering the specific support they might need to submit a comprehensive submission and full portfolio.

Earmarked Strand

For places within the **Earmarked Strand**, it is recommended that an early assessment of their position against the readiness checks begins in the coming weeks. Following further guidance in the autumn, the provisional timeline presented would see those in the Earmarked strand invited to submit responses to the readiness checks via one of two waves – November 2025 and February 2026.

This approach seeks to provide a degree of flexibility for places, reflecting the fact that places are starting from different stages of readiness, where some submissions may take longer due to governance processes. It will be down to individual places to decide which submission wave will be more suitable based on their current position. Submitting in the first wave in November offers the potential for faster progression, providing places with more time to focus on refining their project portfolios and engaging in co-creation with UKRI to ensure alignment with the fund's objectives in advance of the release of funding.

Competed Strand

For those considering putting forward a submission to the **Competed Strand**, the process will begin with the launch of an EOI in the autumn. The current provisional timeline would see those in the competed strand invited to submit responses to the readiness checks in March 2026. Responses to the EOI process will be used to identify the strongest proposals which have the greatest potential for impact and an ability to move quickly. Successful applicants will then be invited to enter into a co-creation process with UKRI to further develop their project portfolio.

Given the emphasis on scale and impact, places within this strand are encouraged to consider the functional geography of their innovation clusters as part of this EOI. Some clusters may extend beyond administrative boundaries. This provides an opportunity to explore credible options for collaboration which could include proposals across a pan-regional footprint, shared project delivery, or spatial corridor-based approaches that maximise collective strengths. However, the cluster's functional geography must be clearly defined and it should be evident that funding will be focused on areas where it can achieve the desired level of impact, rather than allocated across a broad area.

Next steps

UKRI is currently finalising further guidance on the readiness check process, submission criteria, and the co-creation offer for the LIPF, ahead of securing government approval on the LIPF business case. As such, the timelines and processes outlined in this document are provisional and subject to change. However, this guidance is published in good faith to

provide places with the necessary information to begin preparations for the readiness check and the overall application process. UKRI will provide more detailed guidance in the autumn.

An engagement strategy will also be put in place, offering briefing sessions, workshops, and Q&A opportunities to ensure places receive the support and clarity needed to develop robust proposals. While the details are still being finalised, UKRI is committed to working in partnership with places. We understand the value of local expertise and look forward to collaborating with place leaders to refine proposals, ensuring the LIPF achieves long-term success in supporting innovation clusters across the UK.