



Innovate
UK



DRIVE35 Scale-up Fund

Applicant Briefing

Date: 26 September 2025

The webinar will start at 10:00am.

- This briefing is being recorded. A copy of the slides and the recording link will be made available on IFS.
- Please enter any questions that you may have into the Q&A Box.
- For more information on the competition process, please click [here](#) to access our YouTube channel.

Welcome and Introductions



YVETTE WILLIS
COMPETITION MANAGER,
INNOVATE UK



RIK ADAMS
INNOVATION DELIVERY
DIRECTOR,
APC



BEN HARRISON
SENIOR PROJECT
DELIVERY LEAD,
APC



NAIM YUSUF
PROGRAMME MANAGER,
APC



DAN BUNTING
HEAD OF BUSINESS DEVELOPMENT
APC



MILLY WIXTED
SECTOR ANALYSIS
DBT



DRIVE35 Scale-up Fund

Milly Wixted, DBT Analyst

Ben Harrison, Senior Project Delivery Lead - APC

Dan Bunting, Head of Business Development - APC

Naim Yusuf, Programme Manager - APC

Driving Research and Investment in Vehicle Electrification (DRIVE35)

£2.5bn

in grant funding delivered over ten years in partnership with the Department for Business and Trade, Innovate UK, and the Advanced Propulsion Centre UK

3 Strategic Funding Priorities

Supporting INNOVATION

Concept design to late-stage R&D

£150K up to £25m available, project duration from **12 to 36 months**, depending on selected stream

Accelerating SCALE-UP

Validation and process delivery

£150k up to £20m available, project duration from **12 to 46 months**, depending on selected stream

Enabling TRANSFORMATION

Industrial deployment at scale

**Vehicle Assembly
Supply Chain Development**



ADVANCED
PROPULSION
CENTRE UK

DRIVE35



ENABLING
TRANSFORMATION

Automotive Transformation Fund

ACCELERATING
SCALE-UP

Scale-up Fund

Feasibility Studies

SUPPORTING
INNOVATION

Collaborate

Demonstrate

Mobilise

DRIVE 35 Scale-up Fund: Overview



The Scale up Fund is to support manufacturing facility and process development at pilot scale or demonstration scale. These projects will enable businesses to validate manufacturing capability and commercial viability, achieving market entry at the targeted production volume.

You will need to demonstrate your readiness to secure co-investment for this scale up project, whether from parent companies, corporate sponsors, institutional investors or lenders.

Introducing Scale-up Fund

Up to

£20m

in grant funding

- Single applicants may apply
- £2.5m minimum grant request per project
- £5m minimum total project cost
- Support manufacturing facility and process development at pilot scale or demonstration scale.
- Projects will enable businesses to validate manufacturing capability and commercial viability, from the project outcomes achieving market entry at the targeted production volume.
- Up to 50% grant if you are a micro or small or medium sized organisation; and up to 30% grant if you are a large organisation.
- Secure co-investment within a **9-month** period (extendable to 12 month) following award of grant offer.

- Scaling your manufacturing from R+D to commercialisation



Stage	Concept	Lab scale / workshop	Pilot line (low-volume manufacture)	Demonstration line (mid-volume manufacture)	Industrial plant (high-volume manufacture)
Description	Innovation of new tech concepts	Initial prototypes from manual lab or workshop	Initial production line	Single FOAK line representing scaled-up workflow	Full scale manufacturing
Flexibility and output	Complete flexibility, no process	Very high flexibility, manual process	High flexibility, low volume output	Medium flexibility and volume output	Lower flexibility, very high output
Development stage output	Early prototypes	Research to deliver prototypes and show product attributes	Process development to pilot initial critical process steps	Process development to demonstrate production at rate with QC	Customer product at full production scale
Commercial milestone delivered	Proof of Concept	Paid trials / 1 st off's	1st adoptor programmes	Secure increasing offtake	Volume programmes
Scale-up Fund Scope	-	-	Yes	Yes	ATF

Scope of Scale-up projects for zero-emission vehicle technology

As previously stated, the Scale-up fund aims to support the development of manufacturing readiness at pilot scale or demonstration scale, achieving market entry at the targeted production volume. The project must include the activities required to design, build, and commission a pilot-scale or demonstration-scale manufacturing facility.

Examples of in-scope activities include:

- **Manufacturing facility planning and engineering**, including detailed facility or process planning and engineering, finalisation of site selection, fabrication and construction work
- **Development of the Production Line**, including detailed production line design, equipment integration with site infrastructure, specification, procurement and purchasing, equipment installation and commissioning
- **Process development** including development of quality control and quality assurance process and equipment, and APQP (Advanced Product Quality and Planning) activities required, up to and including production launch
- **Technology implementation** to enable efficient and effective production processes
- **Training**
- **Product development to support 'Design for Manufacture'**, where this enables your technology or product to be adapted for your target scale manufacturing
- **Development of UK supply chain** for your target production scale
- **Testing, Validation and Verification** of components and systems which are manufactured as part of this scale-up project
- **Dissemination** to enable market engagement and market feedback
- **Limited Commercial Activity** during the active phase of this project

Impacts and outcomes for your UK business



GROWTH: Support growth, transition and resilience of the UK's automotive supply chain, increasing capability whilst improving productivity, efficiency and competitiveness. This may also include growth within the UK Supply Chain supporting this scale-up project.



STRATEGIC TECHNOLOGY: Contribute to the UK's strategic aims and priorities, such as the HMG's Industrial Strategy as well as the Automotive Council's Roadmaps and Strategic Technology areas.



FACILITY INVESTMENT: Creation or conversion of UK manufacturing facilities which support the transition to zero-emission vehicles, achieving market entry at the targeted production volume.



IMPACTS: Enabling of substantial investment, creation and/or safeguarding of high-value jobs, increase of sales, together resulting in a lasting economic benefit to the UK.



REPORTING OUTPUTS: At project closure, deliver a Closeout Review and Demonstration Event to demonstrate the outcomes and deliverables of the Scale-up investment.

What will a strong Scale-up Project application consist of?



Demonstrated **Business Capability** by organisational strength of the Leadership Team to deliver project outcomes and readiness for growth.



Strong Value Proposition supported by readiness to scale (demonstration of TRL / MRL)

Understanding of the **Market Opportunity** and **Competitive Environment**.



Demonstration of a **Strong Commercial Plan** including market entry strategy and growth supported by realistic sales projections and scale.



Clearly defined **Plan to Deliver** Scale-up including defined project objectives, project team, risk register, project costs, and timing plan. Any gaps should have clear mitigation plans.



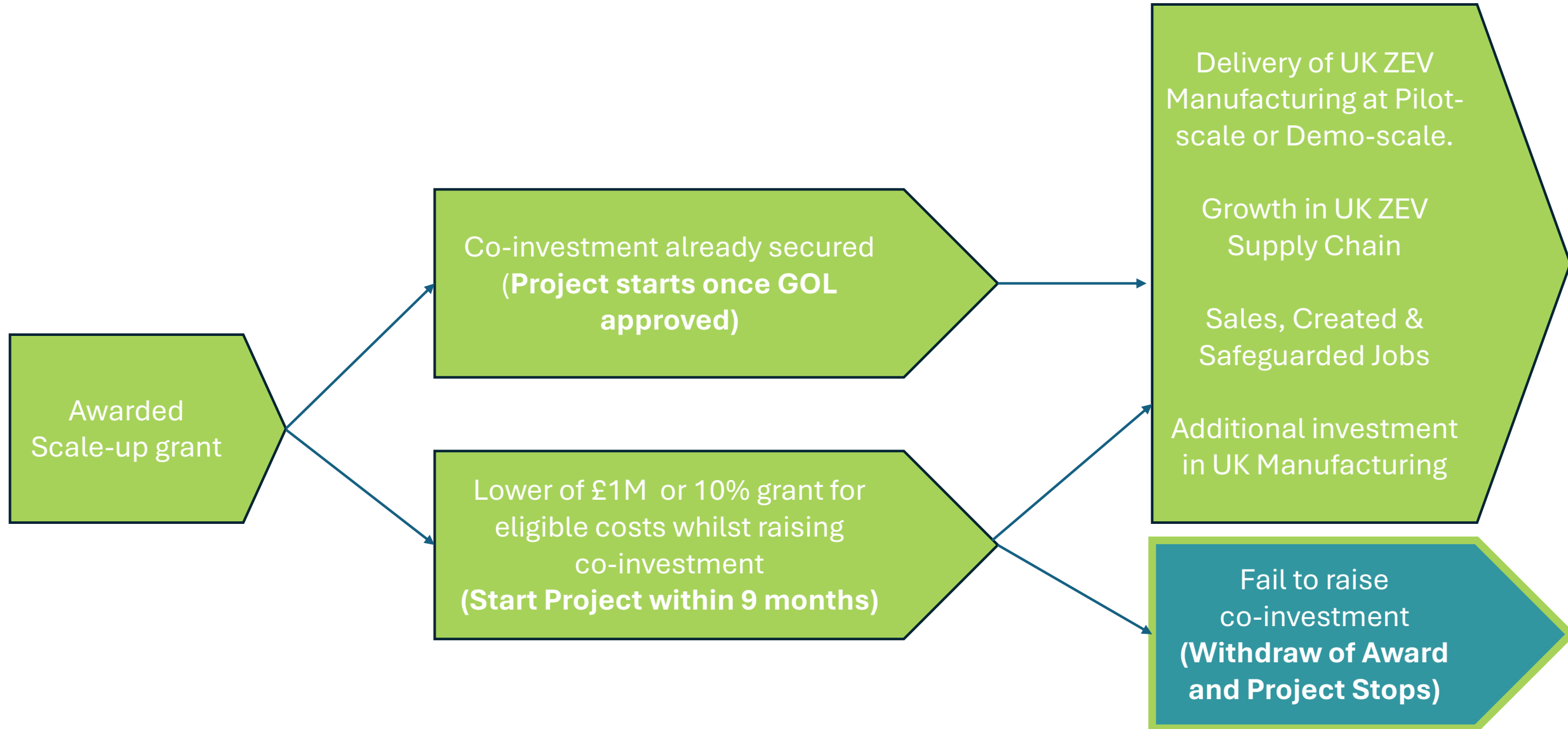
Operational Growth Plan including requirements from the wider Supply Chain especially where new suppliers will be on-boarded to support scale up.

Financial Business Case including readiness for Investment where required to support Scale-up.

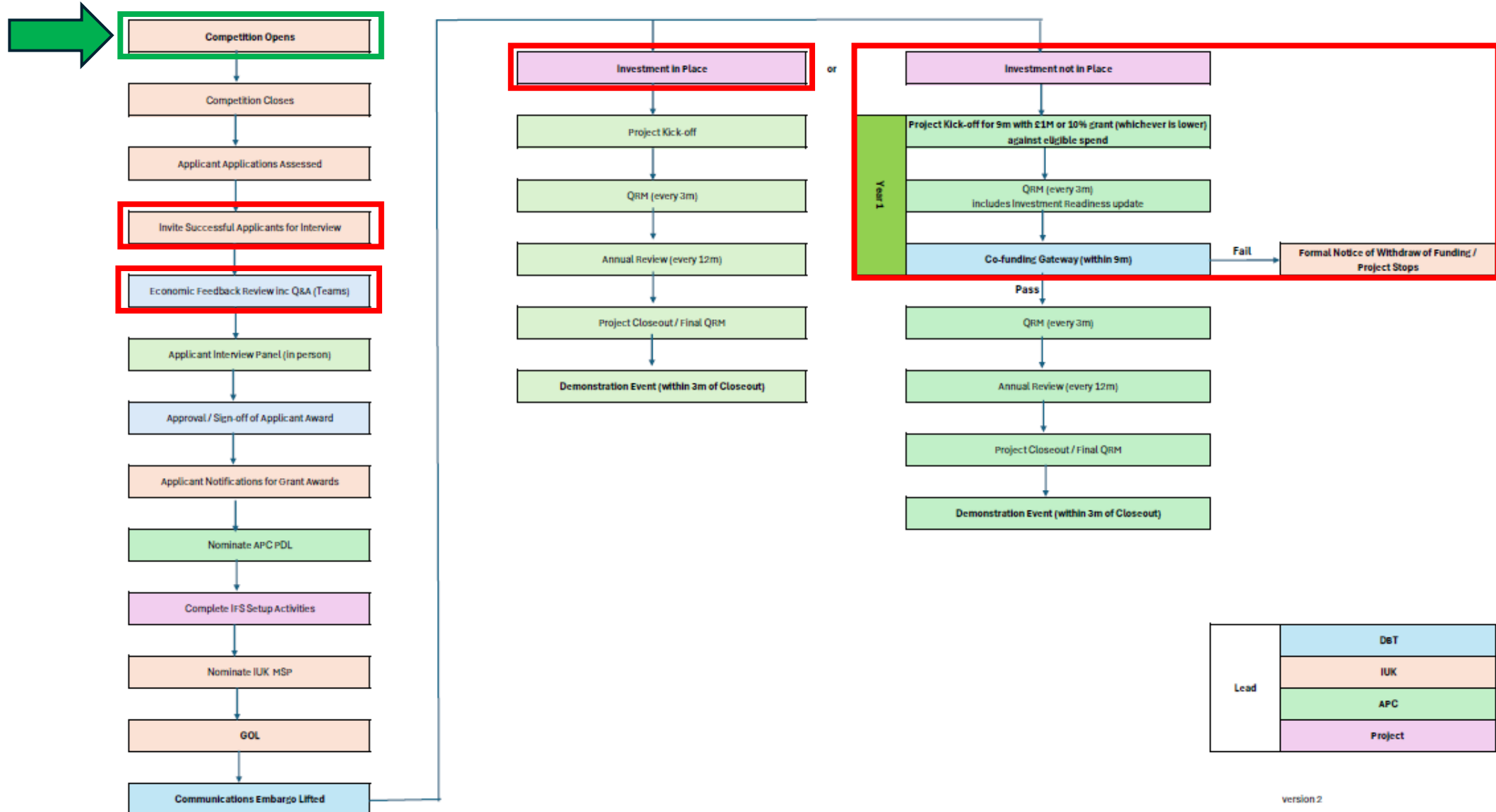


Project Impact including created and safeguarded jobs, and future UK investment requirements for growth.

Scale-up Projects: Target Outcomes



Scale-up Fund Competition – High Level Activities



Scale-up Project: Eligibility

The Scale-up project under consideration, must:



Implement scale up in the UK auto sector, however, exploitation to other sectors is welcomed.



Single or Consortia led – subcontractors are allowed.



Carry out project work in the UK with significant justification for overseas activities.



Exploit the outcomes in the UK



Grant funding request between £2.5M to £20M with minimum project eligible costs of £5M.



A maximum of 30% grant funded for a large organisation, or 50% for an SME.



Project start by 1st June 2026 and completed within 46 months.



You must make an industrial contribution of 3.5% of any grant received to support the running costs of APC UK

Timeline

Milestones	Dates
Competition live	17 th September 2025
Applicant Q&A Webinar	26 th September 2025
Application Deadline	3 rd December 2025
Applicants Informed	11 th March 2026
Project Start from	1 st June 2026

Technology Scope

This competition fund aims to support the manufacturing scale-up of strategically important technologies for on board vehicle applications in one or more of the following areas:

- Electrical energy storage:
 - Development of batteries, supercapacitors, their components, management, and integrated systems
- Electric machines and associated driveline
- Power electronics:
 - Including Vehicle-to-Everything (V2X)
- Internal combustion engine (ICE) for off-road applications:
 - We will fund project proposals that support a transition to zero emissions, utilising non-fossil fuels,
- Lightweighting:
 - Materials and manufacturing processes
- Fuel-cell systems:
 - Including associated balance of plant
- Hydrogen storage and management systems
- Zero-emission vehicle assembly

Technology Scope 2

Within the technology scope outlined on previous slide, your project can include:

- Upstream supply chain for the above technologies, including Raw materials, Component manufacturing, Sub-assembly manufacturing,
- Circularity and Design for Disassembly: Projects delivering manufacturing systems which enable the disassembly, remanufacturing, recovery, and reuse of materials.
- The deployment (but not principally the development) of technologies to enable productivity and cost-competitiveness across the relevant aspects of applicable manufacturing operations in any of the following areas:
 - Digital Transformation: Integration of digital tools within the manufacturing process. Such as the use of AI, digital twins, and Internet of Things (IoT).
 - Manufacturing process decarbonisation: Processes that use renewable energy sources or innovations enabling reduced energy consumption within manufacturing processes including capture and reuse.
 - Lean Manufacturing: Implementation of innovative lean principles to improve efficient use of materials used in processes, reduce their environmental impact and improve efficiency including the use of advanced automation techniques.

Projects we will not fund

We will not fund projects:

- Requesting grant greater than 50% of total project costs for an SME or 30% for a large business.
- Not focused primarily on developing and validating manufacturing processes and assets
- Not aligned with the UK Industrial Strategy
- Do not have a robust future plan to enter the zero-emission vehicle supply chain
- Not of future benefit to the automotive sector
- Focused on small personal mobility applications such as e-Scooters, e-Bikes, or other low-powered mobility devices
- Do not lead to significant business or production scale up and expansion
- Focused on technologies or processes which are too technologically immature to scale with increasing market demand
- Focus on fossil fueled internal combustion technology
- Focused on fuel retail or wholesale fuel supply
- Focused on the development or production of low-carbon fuels
- Focused on the production of hydrogen
- Focused on off-vehicle charging infrastructure
- Focused on energy retail or wholesale energy supply
- Focused primarily on the development of digital or data technologies
- Focused on speculative site enabling projects

We cannot fund projects that are:

- Dependent on export performance, for example, giving a subsidy to a baker on the condition that it exports a certain quantity of bread to another country
- Dependent on domestic inputs usage, for example, giving a subsidy to a baker on the condition that it uses 50% UK flour in their product

Portfolio approach to selection

We want to fund a variety of manufacturing scale-up projects across different:

- Technologies,
- Vehicle applications,
- Markets,
- Technological maturities,
- Organisational sizes,

All of which are aligned to policy and regulatory deadlines enabling automotive transformation including the transition to fully zero-emission vehicle manufacturing. As such, selection of funded projects may be determined by the fit of the project to the competition portfolio. We call this a portfolio approach.



Application questions

Project Details and Application Questions Overview

Project Details

Application Team
Application Details
Research Category

Project Summary	100 words	- informs assessment
Public Description	100 words	- for future communications
Scope	200 words	- suitability for funding

Not Scored Questions

Q1 Applicant Location
Q2 Animal Testing
Q3 Permits and Licenses
Q4 International Collaboration
Q5 Trusted Research and Innovation
Q6 Your Business: Impact Track Record
Q7 Your Business: Your Current Business

Scored Questions

Q8 Leadership Team
Q9 Organisational Readiness
Q10 Value Proposition
Q11 Tech Readiness for Scale Up
Q12 Market Opportunity
Q13 Competitive Environment
Q14 Sales Projections
Q15 Market Entry Strategy
Q16 Growth Roadmap

Scored Questions

Q17 The Scale-Up Project Plan
Q18 Scale-Up Project Team
Q19 Project Risks
Q20 Project Costs
Q21 Manufacturing Growth Plan
Q22 Wider Operations and Supply Chain
Q23 Business Plan Expansion Investment Plan
Q24 Investment Readiness
Q25 Financial Business Case

Scored Questions

ECONOMIC APPRAISAL

Q26 Value for Money Workbook Template
Q27 Additionality, Case for Intervention
Q28 Investment in the UK
Q29 UK Jobs age Wage Premia
Q30 Emissions Reductions
Q31 Greenhouse Gas Reductions
Q32 Wider Automotive Supply Chain
Q33 R&D Spillovers

Application Questions

Business Capability

Q8 Leadership Team

- Commercialisation and leadership skills to deliver outputs of the scale up project.
- The strength of the plan to build this team during and after the scale up project.

Q9 Organisational Readiness

- Organisational structure and readiness for growth
- Talent strategy aligned to growth plans

Product or Process

Q10 Value Proposition

- Value proposition strength
- Unit economics

Q11 Tech Readiness for Scale Up

- TRL: Technology readiness to scale: status and evidence
- MRL: Manufacturing readiness to scale: status and evidence

Market

Q12 Market Opportunity

- Scale of market opportunity
- Timing and accessibility

Q13 Competitive Environment

- Understanding of competitor map
- Space to win in early markets

Commercialisation Plan

Q14 Sales Projections

- Ambition and scale.
- Deliverability of timing

Q15 Market Entry Strategy

- Target market entry plan, including customer segmentation.
- Early market traction including customer sponsorship for scale-up project.

Q16 Growth Roadmap

- Roadmap beyond initial adoption
- Business model

Application Questions

The Project

Q17 The Scale-Up Project Plan

- Clear Scale-up project objectives and timing plan
- Fit of scope of project to commercial plan

Q18 Scale-Up Project Team

- Collaborator roles and responsibilities
- Sub-contractor role and responsibilities

Q19 Project Risks

- Quality of risk analysis and mitigations
- Level of residual risk

Q20 Project Costs

- Sensible to meet Scale-up project objectives,
- Subcontractor costs reasonable and justified.
- Justification for public grant

Manufacturing and Supply Chain Plan

Q21 Manufacturing Growth Plan

- Commercialisation and leadership skills to deliver outputs of the scale up project.
- The strength of the plan to build this team during and after the scale up project.

Q22 Wider Operations and Supply Chain

- Current supply chain position and relationships
- Plan to develop supply chain in readiness for scale-up

Financing Plan

Q23 Business Expansion Investment Plan

- Plan to raise finance required to deliver the project and take to market, including “Investment leverage” of min 3:1.
- Identification of investor requirements, and plan to resolve this.

Q24 Investment Readiness

- Past investment track record (Capitalisation journey so far, justification of company valuation)
- Co-investment confidence (Investor/lender traction and warmup)

Q25 Financial Business Case

- Well formatted finance projection with reasonable sales and costs
- Cash flow analysis including working capital requirement

Application Questions

Economic Appraisal

Q26 Value for Money Workbook

- Download and complete the VfM workbook provided.
- This will cover the content for Question 27 to Question 33

Q27 Additionality, Reasonable Case for Intervention

Q28 Investment in the UK

Q29 UK Jobs and Wage Premia

Q30 Emissions Reductions

Q31 Greenhouse Gas Emission Reductions

Q32 Wider Automotive Supply Chain

Q33 R&D Spillovers



Department for
Business & Trade

DRIVE35 Scale-Up Fund: Scale-Up Value for Money Guidance for Applicants

Milly Wixted

DBT Sector Analysis

Presentation aims

1. Understand VfM and why it matters
2. Understand what information and evidence DBT need to assess VfM
3. Understand how to fill in the VfM workbook

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Value for money (VfM) overview



Government spending must be good value for UK taxpayers

The Treasury requires that public funding for R&D projects undergoes a VfM assessment and meets a minimum threshold.

DBT economists determine each project's VfM based on its benefit-cost ratio

How we calculate the benefit-cost ratio

$$\text{Benefit-cost ratio} = \frac{\text{Expected benefit to UK economy}}{\text{Cost to the Exchequer (Gov.)}}$$

Expected benefit to the UK economy:

- Jobs, CO2 savings, R&D spill-overs – we use data from your written application and VfM workbook
- Adjusted for risk and additionality – we use evidence from your written application **and** your responses to the written economic feedback and the VfM interview.

Cost to the Exchequer (cost to Government):

- Grant funding requested – for a set level of benefits, the lower the ask, the higher the BCR and your score

Presentation aims

1. Understand VfM and why it matters
2. Understand what information and evidence DBT need to assess VfM
3. Understand how to fill in the VfM workbook

Overview of application documents

1. Written application (Q1 – Q32)	<ul style="list-style-type: none"> • Explain and justify why grant funding is necessary, why this amount. • Explain project benefits. • Explain risks and mitigation.
2. Value for Money Excel Workbook	<ul style="list-style-type: none"> • Quantify benefits, include evidence. • Ensure you provide evidence and methodology in the corresponding written application questions
3. Appendix	Further evidence to justify your claims
4. Responses to feedback	<ul style="list-style-type: none"> • Information, clarification and evidence following written economic feedback. • If the requested evidence cannot be provided, answer the question explaining why that is the case.

The four parts of the application should complement each other.

All four parts are used in the VfM assessment.

Your application should provide:

Logical narrative

- Explain why the reported benefits and costs are reasonable

Calculation methods

- Provide details of the calculations and any assumptions used

Supporting evidence

- Provide supporting evidence and documentation to support the narrative and method



What kind of evidence?

- Diagrams
- Tables
- Internal documents
- Letters
- Excel spreadsheet.

Must be clear and easy to follow.
Include evidence in the appendix.

**Insufficient evidence →
application will score lower.**

We need to understand project benefits

Employment

- What are the job roles within the project and afterwards?
- Explain why the project safeguards certain jobs (explain why these jobs would be lost within 12m).
- What would happen to these jobs without the project?

Co2 Savings

- How does your technology deliver CO2 emissions savings.
- Explain which vehicles will be displaced ('comparator vehicles') and why they are the best alternative.
- Life cycle analysis

Wider impact of R&D

- Will you register IP for the technology?
- Are you going to share project results? Will other firms or industries benefit?
- How and where will the technology / knowledge be used?
- Can the technology be applied to other sectors such as defence, aero or energy?

Production

- How much will you produce each year?
- How much product will be sold to the UK market?

Additionality: We need to understand why grant funding is essential for your project

Why does this project need grant funding to go ahead? Why this particular amount?

- e.g. unable to raise sufficient funds from other sources – provide proof of declined credit;
- project doesn't meet IRR for internal R&D spend due to being high risk – provide analysis to show this.
- internal competition from a lower-cost location – provide analysis comparing the locations showing the cost gap.

What happens if you don't receive grant funding (The counterfactual)?

- Will the project go ahead on a smaller scale? Or to a different timescale?
- Would the project be undertaken overseas?

Your evidence of the need for funding → **Additionality score** → affects BCR

We need to understand project risks

R&D projects are risky by nature. We need to be confident that the main risks have been identified and mitigation strategies are in place.

Your written application should demonstrate that you have:

1. **Considered different types of risks**
(technological, commercial, route to market, project delivery etc.)
2. **Assessed the impact and developed mitigation strategies**

Your evidence of risks and risk management → **Risk score** → affects BCR

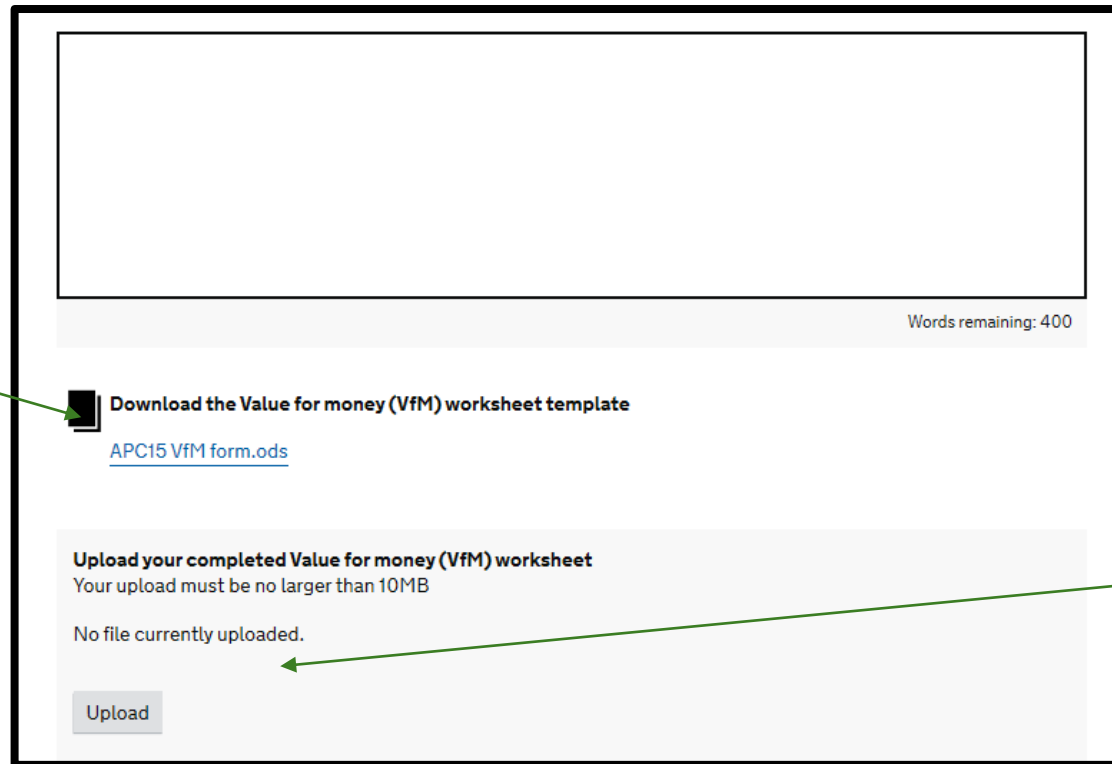
Presentation aims

1. Understand VfM and why it matters
2. Understand what information and evidence DBT need to assess VfM
3. Understand how to fill in the VfM workbook

Accessing the VFM workbook

Question 26. Value for Money (VfM) workbook

Download your Value for money (VfM) worksheet from Q26



The screenshot shows a web interface for the Value for Money (VfM) workbook. At the top is a large empty rectangular box. Below it, on the right, is the text "Words remaining: 400". Further down, there is a section titled "Download the Value for money (VfM) worksheet template" with a small icon of a document and a link "APC15 VfM form.ods". Below this is another section titled "Upload your completed Value for money (VfM) worksheet" with the instruction "Your upload must be no larger than 10MB". Underneath, it says "No file currently uploaded." and there is an "Upload" button at the bottom.

Upload your completed worksheet

How to complete the VfM workbook

Q13 - Project Expenditure

[Link to Guidance](#)

Please use the text boxes on the right to describe the source / evidence and assumptions for the data provided.

TOTAL PROJECT EXPENDITURE (£, in current prices)

SUMMARY OF PROJECT EXPENDITURE

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
TOTAL UK R&D Expenditure	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL UK Capital Expenditure	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL UK Skills & Training Expenditure	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL UK Project Expenditure	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL Overseas Investment	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

UK GOVERNMENT FUNDING REQUESTED FOR THIS PROJECT

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
R&D Expenditure											£0
Capital equipment											£0
Skills & Training											£0
TOTAL Government funding	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

UK FUNDING FOR THIS PROJECT FROM INDUSTRIAL PARTNERS

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
R&D Expenditure											£0
Capital equipment											£0
Skills & Training											£0
TOTAL Company (Matched) funding	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

KEY

Data Entry

Internal calculations (do not change)

Drop down menu

Grey cell: enter your data

Orange cell: select from dropdown

Yellow cell: internal calculation

Have you provided calculation details of your project expenditure profile in Question 15 of the written application? Please confirm:

Select from dropdown

1. Some sheets require cumulative figures!

2. Any number entered requires an explanation of how it was calculated in the corresponding written application question. Please confirm in the dropdown.

3. Several sheets to complete!

- Download workbook from Question 26 in the written application
- When complete, upload the workbook as an appendix to Question 26.

Eligibility criteria



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Eligibility Criteria – Your Project

Your project must:

- be a single applicant or consortia led
- have a total grant funding request of between £2.5 million and £20 million
- have total eligible costs of at least £5 million
- last between 12 to 46 months, including an initial period where you can raise the match funding before your project starts
- carry out its project work in the UK, with only minor elements overseas with significant justification
- intend to exploit the results from or in the UK
- start from 1 June 2026

Eligibility Criteria – Lead Organisation

Lead organisation:

To lead a project your organisation must:

- To lead a collaborative project or work alone, your organisation must be a UK registered business of any size.
- More information on the different types of organisation can be found in our [Funding rules](#).
- Research and technology organisations (RTO's) and [Academic institutions](#) cannot lead or work alone.

More information on the different types of organisation can be found in our [Funding rules](#).

Eligibility Criteria – Collaboration

For this competition your project can be collaborative.

To be an eligible collaboration, the lead and at least one other organisation must:

- apply for funding when entering their costs into the application.
- include rationale for the collaboration and describe the structure in your application

Eligibility Criteria – Project Team

Project team

To collaborate with the lead, your organisation must be one of the following UK registered:

- business of any size
- academic institution
- charity
- not for profit
- public sector organisation
- research and technology organisation (RTO)

Eligibility Criteria – Partners/Subcontractors

Non-funded partners

Your project can include non-UK partners, including partners based in the EU, who bring their own funding. Non-UK partners are permitted to carry out project work from within their home countries and exploit results overseas. Their costs will count towards the total eligible project costs.

Subcontractors

Subcontractors are allowed in this competition.

Subcontractors can be from anywhere in the UK and you must select them through your usual procurement process.

You can use subcontractors from overseas but must make the case in your application as to why you cannot use subcontractors from the UK.

You must provide a detailed rationale, evidence of the potential UK contractors you approached and the reasons why they were unable to work with you. We will not accept a cheaper cost as a sufficient reason to use an overseas subcontractor.

All subcontractor costs must be justified and appropriate to the total project costs.

Eligibility Criteria – Number of applications

Number of applications

A business can lead or collaborate on any number of applications.

An academic institution, research and technology organisation (RTO), charity, not for profit or public sector organisation can collaborate on any number of applications.

Previously submitted applications

This competition does allow you to submit a previously submitted application.

Previously submitted application	Not a Previously submitted application
<p>A previously submitted application is an application Innovate UK judges as <u>not</u> materially different from one you have submitted before (but it can be updated based on the assessors' feedback).</p> <p>If you have previously submitted an application that reached our assessment stage, you can re-apply once more with the same proposal.</p>	<p>A brand-new application, project or idea that you have not previously submitted into an Innovate UK competition.</p> <p>or</p> <p>A previously submitted or ineligible application which:</p> <ul style="list-style-type: none">• has been updated based on assessor feedback• <u>and</u> is materially different from the application submitted before• <u>and</u> fits with the scope of this competition



Innovation Funding Service (IFS)

How to apply

The lead applicant must create an account:

UK registered businesses

Use Companies House lookup using your company number. This facilitates our checks later if you are successful.

Research organisations, academics and universities

To avoid being listed as a business and to ensure you receive the correct funding, enter your information manually on IFS



GOV.UK Innovation Funding Service

BETA This is a new service – your [feedback](#) will help us to improve it.

[Back](#)

Create your account

Your organisation

i Your organisation must be UK based to receive funding from Innovate UK

Business

Find your organisation on Companies House
Enter your organisation name or registration number

Companies House search results
Select your organisation from the options below

NOMENSA LTD
04214477 - Incorporated on 10 May 2001
13 Queen Square, Bristol, BS1 4NT

GOV.UK Innovation Funding Service

BETA This is a new service – your [feedback](#) will help us to improve it.

[Back](#)

Please sign in or create an account

Used this service before?

Please sign into your Innovation Funding Service account.

New to this service?

If you haven't used the new Innovation Funding Service before you will need to create an account.

Sign in

Email address
Please enter your email address.

Password
Please enter your password.

▼ [Need help signing in or creating an account?](#)

My email and/or password isn't working

If you applied previously using the old service, you will need to create a new account.

[Forgotten your password?](#)

National Security and Investment Act - overview

Subject to certain criteria, UK applicants are legally required to tell the government about acquisitions of certain entities in 17 sensitive areas of the economy (called 'notifiable acquisitions').

<https://www.gov.uk/government/publications/national-security-and-investment-act-guidance-on-notifiable-acquisitions/national-security-and-investment-act-guidance-on-notifiable-acquisitions>

These 17 areas are:

- Advanced Materials
- Advanced Robotics
- Artificial Intelligence
- Civil Nuclear
- Communications
- Computing Hardware
- Critical Suppliers to Government
- Cryptographic Authentication
- Data Infrastructure
- Defence
- Energy
- Military and Dual-Use
- Quantum Technologies
- Satellite and Space Technologies
- Suppliers to the Emergency Services
- Synthetic Biology
- Transport

If there is significant uncertainty about whether an acquisition is notifiable, you may contact the government on **investment.screening@cabinetoffice.gov.uk** to seek a view or get legal advice from your own sources.

UK Strategic Export Controls - overview

[UK strategic export controls - GOV.UK](https://www.gov.uk/guidance/uk-strategic-export-controls)

The UK government has put together this guidance for those who export or transfer goods, software or technology (including data, information and technical assistance) which might be subject to strategic export controls.

It explains what control lists are, as well as who they apply to and when, so that exporters can make sure they comply with the law.

Applicants should assess how these controls may impact the project and confirm if they will need a licence (see question 5).

Q4 International Collaboration (not scored)

Does your proposed work involve any international collaboration or engagement?

You must provide details of any expected international collaboration or engagement. You must include a list of the names and the countries any international project co-leads, project partners, visiting researchers, or other collaborators are based in. You must also include details of any subcontractors or service providers.

If your proposed work does not involve international collaboration or engagement, your answer must confirm this.

Q5 Trusted Research and Innovation (not scored)

You must explain if your proposed project work relates to UKRI's Trusted Research and Innovation Principles, including:

- a list of any dual-use (both military and non-military) applications to your research
- a list of the areas where your project is relevant to one or more of the 17 areas of the UK National Security and Investment (NSI) Act)
- whether an export control license is required for this project under the academic export control guidance and the status of any applications
- a list of any items or substances on the UK Strategic Export Control List

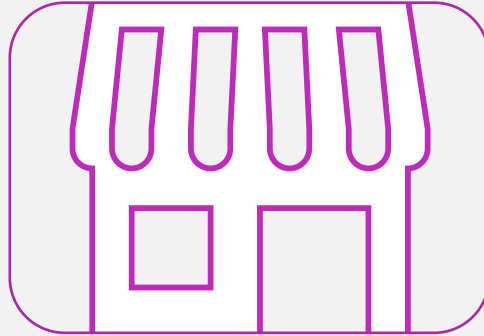
We may ask you to provide additional TR&I information at a later date, in line with UKRI TR&I Principles and funding terms and conditions

Your Project Cost Categories

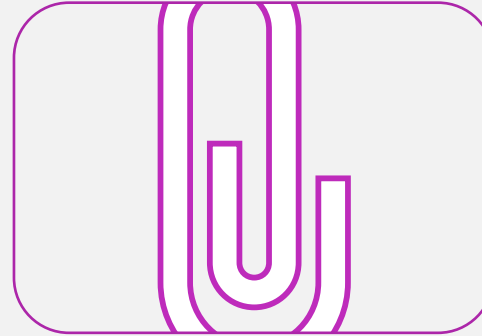
View our [Application Finances Instructional Video](#)



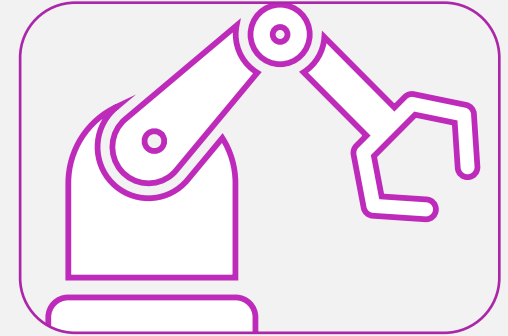
Labour



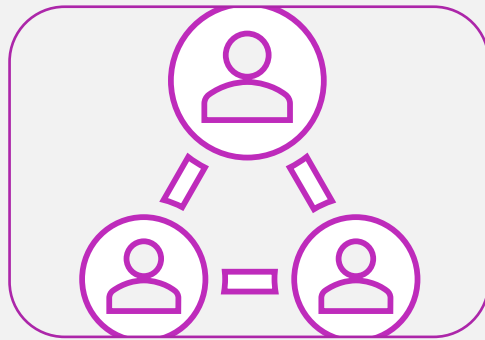
Overheads



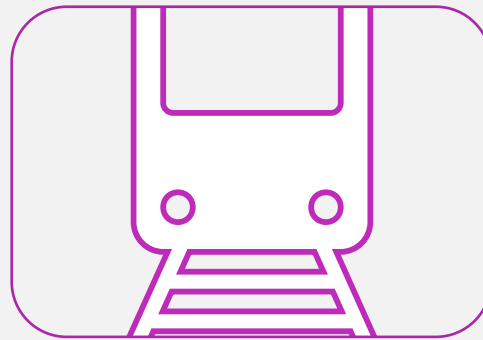
Materials



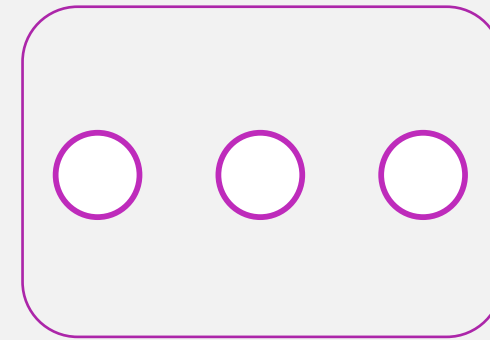
Capital Usage



Subcontractors



Travel &
Subsistence



Other

Your project finances

Finances

Your organisation is required to submit its project finances. Your organisation's project costs can be seen in the 'Finances overview'.


[Your project finances](#)

 Incomplete

[Finances overview](#)


 Incomplete

Finances


 Only members from your organisation will be able to see a breakdown of your finances.

Please complete your project finances.


[Your project costs](#)

 Incomplete


[Your project location](#)

 Incomplete

[Your organisation](#)

 Incomplete

[Your funding](#)

 Incomplete

Your project costs

Add your project costs by category – refer to previous slide for link to instructional video

Your project location

Enter postcode for where most of the project work will take place.

Your organisation

Add details of your organisation including size, turnover and number of employees

Your funding

Include your funding level percentage according to the competition's funding rules.

You can declare Other Public Sector Funding here if you have previously received public money for **exactly** the same activities

Checking your finances are complete

Finances summary

These organisations have not marked their finances as complete:

- Ludlow
- EGGS



This application cannot be submitted until all items in the finances section have been marked as complete by all partners.

		Total costs (£)	Funding level (%)	Funding sought (£)	Contribution to project (£)	Other public sector funding (£)
Empire Ltd Lead organisation	✓	200,903	30.00	57,803	140,632	2,468
Ludlow Partner	⚠	200,903	30.00	57,803	140,632	2,468
EGGS Partner	⚠	990	100.00	990	0	0
Total	⚠	£402,796		116,596	281,264	4,936

Check your finances have been correctly entered, with the correct costs, funding level % and funding sought figures, as per the eligibility criteria of the competition.

If collaborative, the lead must ensure that all partners have marked their finances as complete.

Research organisation participation must be no greater than 10% of the total project costs.

IFS DOES NOT VALIDATE TOTAL PROJECT COSTS


Terms and Conditions

Before you can submit your application, **all** organisations in an application must agree to the draft terms and conditions for this competition. Please ensure you share the T&Cs with your legal team at the earliest possible opportunity.


Terms and conditions

You must agree to these before you submit your application.

[Award terms and conditions](#)

 Incomplete

Review and submit

 [Print your application](#)



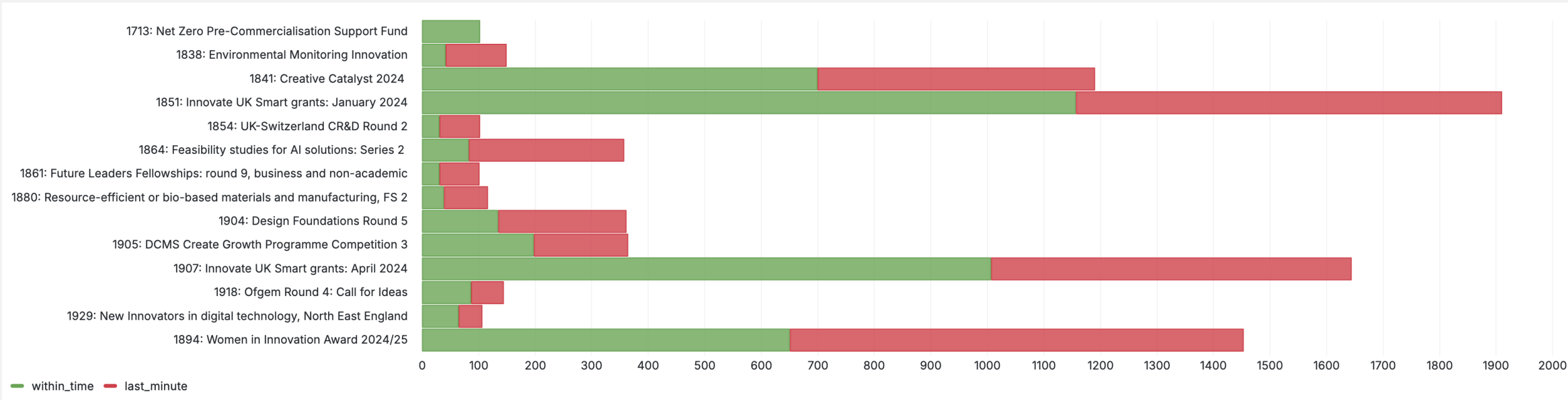
I agree to the [full terms and conditions](#) set out by the funding authority. I understand I need to agree to the final contract if my application is successful.

Agree and continue

Submitting your application

Customer Support can help resolve any issues you might have when submitting **but only if they are contacted before the deadline.**

Once the deadline has passed, your application cannot be submitted.



Pros & Cons of using AI to support you

With the advances in AI technology, it is only natural to use technology to support you in applying to our competitions. Whilst we don't recommend or advise against it, we would like to make you aware of the following which could potentially impact your project.

Pros

- Removes barriers for people with disabilities and non-English speakers
- Allows you to rephrase your content to meet the word count in a question
- Ensures all aspects of a question are answered
- Can aid a better understanding of:
 - intended/wider market
 - best practice in project management
 - complementary technologies and advances in the industry
 - expected project impacts

Cons

- It is not always accurate in its assumptions and can get things wrong
- AI learns from the information you give it as well as what it has already learnt
- May provide a generic response meaning your application could use similar phrasing to others
- AI can be detected as non-human as it lacks expression and insight because it relies on logic to summarise information based on the question asked

Whilst AI offers many benefits, it is important you are aware that **you are potentially sharing your idea with the world**, so be careful what you share as you have no control over how it is shared on once you do.

Funding Rules



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You are unable to claim funding if

- you are an **overseas organisation** - your company number begins with **FC**
- your organisation is **setup as a branch** - your company number begins with **BR**
- you are a **collaboration with no formal structure of ownership or control** - your company number begins with **ML**
- you are a **Crown Dependency**:
 - if your company is based in **Jersey** - your company number begins with **JE**
 - if your company is based in **Guernsey**
 - if your company is based in the **Isle of Man**

Other Innovate UK projects

If you have an outstanding final claim or Independent Accountant Report (IAR) on a live Innovate UK project, you will not be eligible to apply to this competition, as a lead or a partner organisation.

We will not award you any further funding if you:

- applied to a previous competition as the lead or sole company and were awarded funding by Innovate UK, but did not make a substantial effort to exploit that award
- applied to a previous competition as the lead or sole company and failed to comply with grant terms and conditions.

Compliance with the UK Subsidy Control Regime

On 4th January 2023, the [Subsidy Control Act 2022](#) came into effect.

This provides a framework for public authorities to design and award subsidies in a compliant way, whilst minimising any negative effects of subsidies both within the UK and Internationally.

Innovate UK offers funding in line with the UK's obligations and commitments to Subsidy Control. To ensure that Innovate UK remains compliant with the UK's international Subsidy Control duties in respect of:

- the EU-UK Trade and Cooperation Agreement;
- the subsidy control act 2022
- Article 10 of the Windsor Framework (successful applicants which are affected by the Windsor Framework will be funded in line with [EU State aid regulations](#))
- Article 138 of the Withdrawal Agreement (some Union law applicable after 31 December 2020 in relation to the UK's participation in Union programmes and activities)
- the Subsidies and Countervailing measures within the WTO (ASCM)
- any other Free Trade Agreements active at the time of award

All awards will be conditional on compliance at all times with the UK's international obligations on Subsidy Control - this will be reflected in the terms and conditions of any award.

Subsidy Control (and State aid where relevant)

The Subsidy Control Act 2022 definition of a 'subsidy' means financial assistance which:

1. is given by a public authority. This can be at any level: central, devolved, regional or local government or a public body.
2. makes a contribution (this could be a financial or an in-kind contribution) to an enterprise, conferring an economic advantage that is not available on market terms.
3. affects international trade.

For awards made from 4 January 2023, the majority are subject to Subsidy Control Act 2022. EU State aid rules now only apply in certain limited circumstances.

Financial viability and eligibility

Innovate UK is unable to award funding to organisations that are considered to be in financial difficulty. All applicant organisations are subjected to financial viability and eligibility checks to ensure they are suitable for public funding.

[General guidance on Subsidy control \(and State aid where relevant\).](#)

Article 10 of the Windsor Framework

The EU and the UK formally adopted the [Windsor Framework](#) on 24 March 2023.

The Windsor Framework replaces the Northern Ireland Protocol, providing a new legal and UK constitutional framework.

Article 10 provides that European Union State aid rules will continue to apply to the UK in respect of measures which affect trade in goods or the electricity market between Northern Ireland and the EU.

Article 10 does not directly apply to subsidies for services and such subsidies will need to comply with the UK's subsidy control regime.

Undertakings in difficulty

In the unusual circumstance of an award having to be made under the EU GBER regulation (State aid), the applicant must pass **'undertaking in difficulty' checks as defined by GBER (2014)**.

Guidance on [Article 10 of the Windsor Framework](#).

Eligibility Criteria: Funding Opportunities

Funding for R&D projects split into **3** categories: feasibility studies, industrial research and experimental development. This competition is looking to fund **industrial research** or **experimental development** projects.

For your industrial research or experimental development project, you can get funding for your eligible project costs of:

- up to 50% if you are a micro, small or medium sized organisation
- up to 30% if you are a large organisation

The research organisations undertaking non-economic activity as part of the project can share up to 10% of the total eligible project costs. If your consortium contains more than one research organisation undertaking non-economic activity, this maximum is shared between them. Of that 10% you can get funding for your eligible project costs of up to:

- 100% of your eligible project costs if you are an RTO, charity, not for profit organisation, public sector organisation or research organisation
- 80% of full economic costs (FEC) if you are a Je-S registered institution such as an academic

For general guidance on what our research categories are please visit:

<https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/general-guidance/categories-of-research-and-development/#contents-list>

Assessment





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Assessment


[YouTube Playlist](#)

- 

1 How do our assessors assess?
Innovate UK • 8.1K views • 2 years ago
2:33
- 

2 How are successful applications selected for funding?
Innovate UK • 17K views • 2 years ago
2:39
- 

3 What steps are there before a project starts?
Innovate UK • 7.7K views • 2 years ago
3:45
- 

4 How are successful projects monitored?
Innovate UK • 4.1K views • 2 years ago
2:20
- 

5 How successful applicants receive their funding.
Innovate UK • 4.6K views • 2 years ago
2:51



Project setup

If you pass the technical assessment, you will have a further eight steps detailed in your notification to complete in Project Setup before being able to start your project.

These are:

- Project details
- Project team
- Documents
- You will be allocated a Monitoring Service Provider (MSP)
- Bank details
- Finance checks
- Spend profile
- Grant Offer Letter

Please share the T&Cs with your legal team at the earliest possible opportunity to avoid any delays.

You are expected to complete all the steps above within 60 calendar days of receiving your notification. Failure to do so may result in funding being withdrawn.

Work can only commence on your project once you have received your Go Live email.

How you get paid

- Grants are claimed and paid out following authorisation, **quarterly in arrears**
- Organisations being funded at less than 100% will need to provide evidence that they will have funding available to meet their share of costs
- You can only claim for costs incurred between your project's start and end date
- Grant can only be paid into an approved UK bank account

Bank account – Guidance

Accepted business bank accounts – subject to change

- Advance Payment Solutions (Part of Cashplus Ltd)
- Allica Bank
- Allied Irish Banks
- Bank of Ireland (UK)
- Bank of Scotland
- Bank of America
- Barclays
- BNP Paribas
- C Hoare & Co
- CAF Bank
- Citi Bank UK
- Clear Bank
- Commerz Bank
- Coutts
- Danske Bank
- Deutsche Bank
- DNB Bank ASA
- Guaranty Trust Bank (UK) Limited
- Handelsbanken Plc
- HSBC
- J.P. Morgan UK
- Lloyds
- Metro Bank
- Mettle
- Mizuho Bank Ltd
- MUFG Bank Ltd
- Monzo
- NatWest
- Nordea
- Revolut
- Royal Bank of Scotland (RBS)
- Santander
- Skandinaviska Enskilda Banken Ab (Publ) [SEB]
- Starling
- The Bank of East Asia
- The Co-operative Bank
- Tide Bank
- Triodos Bank
- TSB Bank
- Ulster Bank
- Unity Trust Bank
- Virgin Money
- Wells Fargo Bank N.A.

Useful Information

- UKRI's [General Guidance](#)
- Innovate UK Business Connect's [Good Application Guide](#)
- [Who we fund](#)
- Collaboration Agreement Guidance: [Lambert Toolkit](#)
- [Innovate UK: Shaping the Future](#)

Funding opportunities

To find out more about the competitions currently available you can visit either the [**Innovation Funding Service \(IFS\)**](#) or the [**funding finder**](#) on the UKRI website. Through these links, you can review the competitions available and decide which ones may be right for you.

You can [**sign up to our newsletter**](#) to receive all the latest information on our competitions straight to your inbox or [**register for email alerts**](#) to get page updates from Innovate UK.

The government also offers [**other opportunities for businesses to get finance and support**](#).

Innovate UK reserves the rights to host competitions on a needs basis and will adjust each competition criteria and scope accordingly. We may occasionally run closed competitions that are for invited applicants only. These are run based on the challenge requirement or need.

Q&A

Advance Propulsion Centre Team



DAN BUNTING



CHRIS HARRIS



STEVE GASSER

info@apcuk.co.uk



BEN HARRISON



JOSH DENNE

InnovateUK Customer Support Services

0300 321 4357 (Monday - Friday 9am-12pm and 2pm-5pm)

support@iuk.ukri.org



Innovate UK

ukri.org/councils/innovate-uk



**Innovate UK Business
Connect**

iuk.ktn-uk.org



Innovate UK Business Growth

www.iukbg.ukri.org

Q&A

Question	Answer
Can you expand on your comment about the 10% (£1m) as I haven't seen that mentioned in the existing documents.	This is during the co-investment phase - if you do not have all the funding committed you can take 9 months to use the grant offer to secure this. During the phase, you are able to use some of the grant to support eligible expenses.
Is a work on hydrogen supply chain (e.g., to use liquid hydrogen as the onboard storage medium) in the scope?	On vehicle hydrogen storage is included in scope
What is the expected start and end TRL?	It would be expected to be around TRL6 at start and TRL8/9 at completion . This is a manufacturing scale-up competition and so would expect the product undergoing scale-up to have a level of technical maturity.
Would a mobile hydrogen bowser/ trailer cum mobile H2 refueller retrofitted on an existing diesel vehicle be in scope?	On vehicle hydrogen storage is in scope. Suggest you get in touch to discuss project specifics.
Is it required to have an OEM or Tier1 supplier in the consortium	Single applicants may apply. Please discuss with APC if you are thinking of a consortia application.
You just mentioned that the deadline is 3rd Dec. However, the call website states there is no submission deadline. Please clarify?	Hi - this competition works with an always open application window. The any applications submitted will be drawn down every 2 months and assessed at that point.

Q&A

Question	Answer
In IFS you mention a second and a third submission date. Are these alternative dates to hand in the application?	Hi - this competition works with an always open application window. The any applications submitted will be drawn down every 2 months and assessed at that point.
In consortium applications, does the nine month period for securing co-investment apply to all partners or just the lead applicant?	<p>If the award is being used to raise co-investment then every partner needs to be ready to move forward in the Co-investment Gateway held on or before 9 months from the award being made.</p> <p>However please talk with us as soon as possible if you are considering an application as a consortia.</p> <p>We would expect all of the consortia members to have raised funding and be in a position to proceed with the project at the Co-Investment Gateway Review. The project cannot proceed past this gateway until all partners have funding in place.</p>
Is the minimum grant have to be £2.5 million? This seems high, we fulfil the brief of this competition apart from this. I understand you don't want small scale up, but the entry bar seems high	The minimum grant in the competition is £2.5M however suggest you contact the APC Business Development team to discuss the details of your project to understand how we could help.

Q&A

Question	Answer
<p>Can you clarify the position in terms of this section of information about the grants:</p> <p>Point 1: must be between £2.5 million and £20 million. Your project's total eligible costs must be over £5 million</p> <p>Point 2: how your project will enable you to unlock substantial private investment of at least twice your grant request.</p> <p>Point 3: if your grant request is for £5 million, you must describe how this grant will unlock at least £10 million</p> <p>Point 4: co-investment to cover costs that are much broader than the costs funded directly by the project, for example:</p> <ul style="list-style-type: none">• working capital required for market entry• purchase of land• fundamental R&D costs for future products <p>Using this example – does the total eligible costs need to be:</p> <p>1) Assuming a grant of £5m – total eligible costs are £5M – (with description of how £10m is being raised). Total £15m</p> <p>2) Assuming a grant of £5m - total eligible costs are £10m. Total £15m</p>	<p>Hi - your #1 example is correct. The project needs to have at least eligible costs of £10m to get a £5m grant. But the expectation is that when building a manufacturing line, your overall costs to run your business during the project time will also be committed by co-investors.</p>

Q&A

Question	Answer
Would hybrid vehicles of any size between conventional diesel/petrol/CNG vehicles with retrofitted hydrogen ICE be in scope?	Hi - Hydrogen ICE is currently in-scope only for off-highway applications in alignment with government policy.
What TRL and MRL level is expected at application?	It would be expected to be around TRL6 / MRL4. This is a manufacturing scale-up competition and so would expect the product undergoing scale-up to have a level of technical maturity.
Can startups take part in competition, or should this be limited to established carmakers?	This competition is open to all levels of the automotive supply chain. Startups are very welcome, providing all other criteria are met.
What percentage of capital purchases (not depreciation) can be claimed?	There is no hard limit on capital purchase as a percentage, however the expectation is that the project should also show clarity on the full business case which include appropriate funds for operating your business and utilising the capital effectively.
Q23: it says 3:1 investment leverage but 2:1 on the call website. What is the match investment required?	It is 2:1 - we will double check that - thank you.

Q&A

Question	Answer
In terms of the Equity raise – does this: 1. Have to be achieved after the grant application has been given, or 2. Is it ok if this was say in this year's accounting year, or 3. Can we include equity raised recently – say in the previous financial year.	You need to be able to demonstrate the commitment from investors to fund the projects and your business. There is a list of example criteria in the application form - for example - signed shareholder agreement, binding loan agreement, offer of investment etc.
Does any co-investment have to be from other external sources, or can it come from internal/parent company for example?	Hi - it can come from internal/parent company - as long as you can demonstrate the commitment.
Would there be any support available for doing the quantification of the benefits in the VfM workbook?	Yes....please contact the APC for support and we will coordinate with DBT info@apcuk.co.uk
If you are scaling up production in the UK, but exporting the finished goods to European customers and beyond ie an export champion, does this score equally with goods supplied into UK customers?	Yes - export is scored equally.
If we apply before the December deadline, then complete our external private funding round in say Q1 26, can we drawdown the award funds (assuming we are successful) before the June start date?	Hi - June is our expected earliest date due to the complexities of the contracting/due diligence etc. It is sometime possible for things to go faster, but I wouldn't work on that basis.

Q&A

Question	Answer
The co-investment can be done by the applicant without seeking external resources? Could you please advise on how to demonstrate the commitment for internal investment?	There are example of the type of information required in the scope on IFS, but can be: a signed shareholders agreement, a signed binding offer of investment to invest the required amounts, submission of completed statutory investment documents, a binding loan agreement, a confirmation of corporate budget allocation, or other such evidence
What happens if the co-investment is secured between now and when the application is submitted?	If the co-investment is in place when the award is made then you can start the project straight away, as for other APC projects.
So for a SME who is applying with a say £10MN project, they would be eligible for an award up to £5MN?	Yes that is correct - don't forget the requirement for a 2:1 ratio of investment. so your total co-investment would need to be £10m