

DRIVE35 Innovation: Demonstrate 2

Applicant Briefing

The webinar has been pre-recorded.

- A copy of the slides and the recording link is available on IFS.
- Please save any questions you have for the Q&A session.
- For more information on the competition process, please click [here](#) to access our YouTube channel.

Welcome and Introductions



ALEX WOOD
ADVANCED PROPULSION CENTER UK
HEAD OF PRODUCT INNOVATION



STEPHANIE ARMITAGE
INNOVATE UK
COMPETITION MANAGER



DRIVE35 Innovation Fund Demonstrate 2 – Applicant Briefing

Alex Wood
Head of Product – Innovation

Established 2013, together we've already delivered substantial benefits Great foundations for a suite of new programmes that are fit for the next decade



Automotive Transformation Fund (ATF)

~£6bn

Private capital investment attracted across capital & R&D programmes

>6,000+

Jobs created / safeguarded

Supply chain focused

From battery raw materials to electric motor manufacturing

354

Low-carbon projects



59,000+

Jobs created / safeguarded

1 million+

Vehicles use APC-supported technology



614

Project Partners



425 million+

Tonnes of CO2 savings

£1.65bn+

Investment facilitated



DRIVE35 - start talking to us now



£4bn

To 2035 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 72 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

Introducing Demonstrate

Up to

£1.5m

in match-funding

- Develop a **product or process demonstrator**, to show **increased capability** and **commercial exploitation opportunity** as a result of the project
- We want to equip you with the product or process demonstration which allows your business to capitalise on a market opportunity or drive cost competitiveness which secures future business opportunities for you and meets the funding objectives.
- Deliver within a **12-month** period (end by 31 August 2027)
- Have an eligible grant funding request between £500,000 and £1.5 million
- A minimum of 50% match-funded
- Achieving TRL5-6 or MRL4-5 by completion
- Be single applicant or collaborative
- Be ready to showcase your outputs and represent yourself at Cenex Expo 2027

The funding objectives for your proposals

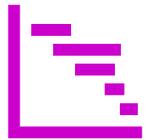
Your Proposal Must:



GROWTH: Support growth, transition and resilience of the UK's automotive supply chain, increasing capability whilst improving productivity, efficiency and competitiveness,



CONTRIBUTE: 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,



DELIVER: Deliver on-vehicle technologies or enable manufacturing capabilities which support the transition to zero-emission vehicles



TARGET: post-project commercialization, with clear articulation on how the innovation will be brought to market or used in an industrial setting



IMPACT: Have the potential to create and safeguard numerous high-value jobs, enable substantial investment and create a lasting economic benefit to the UK,

Demonstrate is strand 2 of a £33m 2-strand competition

DRIVE35 - INNOVATION FUND

This is a competition consisting of two strands:

Strand 1: Collaborate
Strand 2: Demonstrate

Select and apply for the strand which fits your proposal.

Strand 1: Collaborate

- Late-stage collaborative R&D
- Commercialisation outcome
- £2.5m-£25m grant
- 18-36months

Strand 2: Demonstrate (this briefing)

- Product or process demonstrators
- Increasing commercial or deployment opportunity
- £0.5-1.5m grant
- 9-12months

Timeline

Milestones	Dates
Application Deadline	11 th March 2026
Consolidated Feedback Questions Issued	22 nd April 2026
Presentations to be submitted	27 th April 2026
Interview Week	4 th May to 15 th May 2026
Applicants Informed	22 nd June 2026
Project Start from	1 st September 2026

Scope overview

Your proposal must fall within one or more of the following areas:

Theme 1:

Zero-Emission Vehicle Technologies

Focus on product and process innovations that contribute toward achieving zero-emissions for on-board vehicle applications throughout the vehicle lifecycle

Theme 2:

Manufacturing Competitiveness

Use R&D innovation to improve the efficiency, productivity and cost-competitiveness of manufacturing plants and their supply chains enabling the competitive transition to manufacturing of zero-emission vehicles in the UK and/or lowering embedded carbon emissions in the manufacturing process.

Theme 3:

Software Defined Vehicles (SDV) / Electronic & Electrical Architectures (E/E)

Focus on innovations in automotive software and E/E architecture to enhance zero-emission vehicle functionality and reduce time to market. These projects will leverage the UK's unique innovation skills for global product competitiveness

Technology Scope Theme 1: Promote zero-emission vehicle technologies:

Focus on product and process innovations that contribute to achieving zero emissions for on-board vehicle applications in one or more of the following areas:

- Electrical energy storage: development of batteries, supercapacitors, their components, management, and integration systems.
- Electric machines and associated driveline.
- Power electronics including Vehicle-to-Everything (V2X)
- Internal combustion engines (ICE) for on-road applications, we will only fund project proposals which aim to achieve **zero harmful tailpipe emissions** utilising non-fossil fuels
- Internal combustion engines (ICE) for off-road applications, we will fund project proposals that support **a transition to zero emissions, utilising non-fossil fuels**
- Lightweight materials and manufacturing processes.
- Fuel-cell systems and associated balance of plant.
- Hydrogen storage and management systems.

Within the technology scope outlined above; 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 focused on the disassembly, remanufacturing, recovery, and reuse of materials.
- Digitalisation of Validation, Verification, and Design: Use of digital tools to enhance the design, validation, and verification processes for the listed technologies.

Technology Scope Theme 2: Enhance Manufacturing Competitiveness

R&D projects which use innovations to enable productivity and cost competitiveness and reduce embedded carbon across all aspects of zero-emission vehicle and technology manufacturing and their associated supply chain in one or more of the following areas:

- Digital Transformation: Integration of digital tools within the manufacturing process. Such as the use of AI, digital twins, vision systems and Internet of Things (IoT).
- Manufacturing process decarbonisation: Switching processes to use non-fossil energy sources or innovations enabling reduced energy consumption within manufacturing processes including capture and reuse.
- Lean Manufacturing: Implementation of innovative lean principles to improve circularity of materials used in processes, reduce their environmental impact and improve efficiency including the use of advanced automation techniques.
- Supply Chain Development: Initiatives for suppliers to improve their processes, capability and capacity for R&D and subsequent industrialisation. Such as flexible production lines to service multiple customers to lower capital investment. UK capability building to enable market access, and sustainability

The technologies in scope within this theme apply to any component, sub assembly or system, involved in the manufacture of zero-emission vehicles. The proposals must have an outcome which increases the likelihood and competitiveness of manufacturing zero-emission vehicles and their supply chain in the UK.

Technology Scope Theme 3 Software Defined Vehicles (SDV) and Electrical and Electronic (E/E) Architectures

Software Defined Vehicles (SDV) and Electrical & Electronic (E&E) Architecture is focused on enabling features through software and involves a major paradigm shift and redesign across the electrical and electronic architectures. This transformation is critical to supporting zero-emission vehicle functionality and leveraging UK innovation strengths for global competitiveness.

This is system, vehicle and process-level evolution in one or more of the following areas:

- delivering features faster, through a shift to rapid software native tools and processes adapted to meet automotive safety and security requirements (software factory)
- innovations in embedded software development and connectivity to enhance performance, safety, and time to market
- development of advanced control systems software and platforms, including software and control systems integration
- scalable and flexible future E/E architectures, communication systems, and high performance compute including their systems, components, sensors and actuators
- vehicle and system level simulation, including the use of digital twins and in the loop (xIL) innovations to enable rapid simulation, optimisation, and validation of interconnected systems
- innovations in the safe and secure use of ai in the functional software
- innovations in tools, processes, and design practices for SDV and E/E architectures, including ai-driven approaches for development, validation and optimisation

Projects we will not fund

We are not funding projects that:

- **focus on business processes** not directly involved in the design, test, validation, recycle/reuse or manufacture of vehicles **i.e. company back-office systems and infrastructure**.
- relate to the design, development, integration, use, test or direct manufacturing of **automated driving systems (ADS)**
- only focus on the development of clean fuels
- are not aligned with the UK net-zero research innovations framework
- request more than 50% grant for total project costs
- are developing solutions such as e-Scooters or e-Bikes

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

Application

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 Export Licences

Q6 Trusted Research and Innovation

Q7 Marketing and Communications

Q8 Which Themes are Applicable to your Application

Q9 Funded project context

Scored Questions

Q10 Strategic Rationale and Market opportunity

Q11 Innovation

Q12 Technical approach and Project Management

Q13 Team

Q14 The Supply Chain

Q15 Risk Management

Q16 Project dissemination and Exploitation approach

Q17 Cost

Q18 Added Value

Q19 Economic Monitoring Form*

*(not scored directly but can be used to inform assessment)

Application Questions

Question 10 Strategic Rationale and Market opportunity (Scored)

Why this project is critical to each applicant's business strategy outlining the customer's problem?

- Market size and your advantage
- Growth potential or existing market size of your product or service
- Route to market and timing
- Customer interest and demand
- Company support
- Strategic alignment

Question 11 Innovation (Scored)

What is innovative about your project?

- Level of innovation or application and how this provides advantage
- Appropriateness of elements of adoption or application of existing technology in new environments.
- Current TRL and/or MRL of your project with evidence
- Development of know-how and IP and the benefits to all partners. And freedom to operate

Question 12 Technical approach and Project Management (Scored)

How will you approach the project to ensure efficient, effective and timely delivery?

- Key milestones, outputs and deliverables
- Work package structure with Project plan or Gantt chart showing the route to reach the output maturity
- Approach to project management
- Reporting and governance lines

Application Questions

Question 13 Team (Scored)

Can the project team be assembled, with the necessary skills and experience to deliver the project objectives?

- Your readiness to start?
- Have you got the right team members?
- Skills and experiences addressing gaps and how they will be filled
- Capacity, recruitment and internal resource availability

Question 14 The Supply Chain (Scored)

How will your project leverage and strengthen the UK supply chain including the capability of your own organisation?

- Suppliers and readiness to deliver the project
- Your and partners capacity
- How the project will engage with and create lasting UK supply chain relationships and value

Question 15 Risk Management (Scored)

What are the risks affecting the project and how will the consortium manage them?

- Identify risks and uncertainties of your project, including the technical, commercial, Managerial and environmental risks
- Explain how these risks will be mitigated
- Tools and mechanisms that will be utilised to provide confidence
- Submitted risk register

Application Questions

Question 16 Project exploitation and dissemination approach

(Scored)

How your demonstrator project's outputs and results will be exploited and disseminated?

- How will you or any partners look to exploit this project?
- Route to market strategy
- Sustainability post project completion
- Dissemination web contents, customer presentations, industry exhibits, written publications....

Question 17 Cost

(Scored)

How much will the project cost and how does it represent value for money for the team and the taxpayer?

- How your share of the cost will be financed and the readiness to start
- Total eligible cost and by partner
- Total grant requested and by partner
- Explain how the costs are appropriate to achieve your intended outcome, including but not limited to subcontractor costs along with justification

Question 18 Added value

(Scored)

How will this public funding help your approach to developing your project towards commercialisation?

- How will funding help your business achieve outcomes not otherwise achievable?
- What would happen in the absence of funding?
- How can the project create and safeguard jobs in the UK and drive additional investment?
- What wider beneficial supply chain-related or spill-over benefits result from the project

Eligibility criteria



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Eligibility Criteria – Your Project

Your project must:

- lead to a demonstrator product or process to enable new commercial opportunities or secure follow on investment
- have total eligible grant funding request of between £500,000 and £1.5 million
- be a minimum of 50% match funding, for example, if you are asking for £500,000 in grant your total eligible project costs need to be a minimum of £1 million
- align to at least one of the three scope themes
- be achieving [TRL 5-6](#) or [MRL 4-5](#) by completion, based on published Automotive Technology and Manufacturing Readiness Levels
- last between 9 and 12 months
- carry out all of its project work in the UK
- intend to exploit the results from or in the UK
- start from 1 September 2026
- end by 31 August 2027

Eligibility Criteria – Lead Organisation

Lead organisation:

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](#).

[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)

Each partner organisation must be invited into the Innovation Funding Service (IFS) by the lead to collaborate on a project. Once partners have accepted the invitation, they will be asked to login or to create an account in IFS. They are responsible for entering their own project costs in the application.

Eligibility Criteria – Partners/Subcontractors

Non-funded partners

Your project can include organisations who do not claim any funding for their work on the project. Their costs will be covered from their own resources. These can include UK, EU and other non-UK organisations. Non-UK partners are permitted to carry out project work from within their home countries and exploit the results outside the UK.

Where non-funded partners have been invited to the application on IFS, 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



This screenshot shows the 'Create your account' page for 'Your organisation'. It includes a 'Back' link, a beta notice, and an information icon stating that the organisation must be UK-based. Under the 'Business' section, there is a search box for 'Find your organisation on Companies House' with the text 'Enter your organisation name or registration number'. The search box contains the text 'nomensa' and a 'Search' button. Below this, the 'Companies House search results' section shows a single result for 'NOMENSALTD', with details: '04214477 - Incorporated on 10 May 2001' and '13 Queen Square, Bristol, BS1 4NT'.

This screenshot shows the 'Please sign in or create an account' page. It features a 'Back' link, a beta notice, and two main options: 'Used this service before?' with a 'Sign in' button, and 'New to this service?' with a 'Create account' button. The text for 'New to this service?' states: 'If you haven't used the new Innovation Funding Service before you will need to create an account.'

This screenshot shows the 'Sign in' page. It includes a 'Back' link, a beta notice, and a 'Need help signing in or creating an account?' section. The 'Sign in' section has two input fields: 'Email address' with the prompt 'Please enter your email address.' and 'Password' with the prompt 'Please enter your password.' and a 'Show' button. Below the password field is a link for 'Forgotten your password?'. The 'Need help...' section contains a link for 'My email and/or password isn't working' with the text: 'If you applied previously using the old service, you will need to create a new account.'

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)

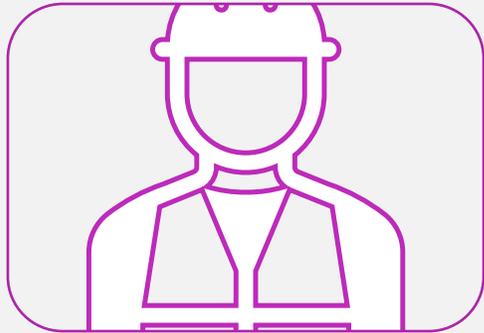
You must explain if your proposed project work relates to UKRI's Trusted Research and Innovation Principles, including:

- 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

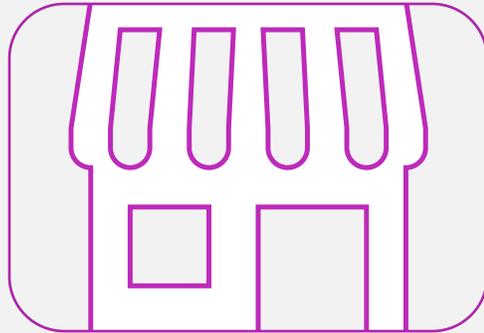
We may ask you to provide additional TR&I information at a later date, in line with UKRI TR&I Principles and funding terms and conditions

Your Project Cost Categories

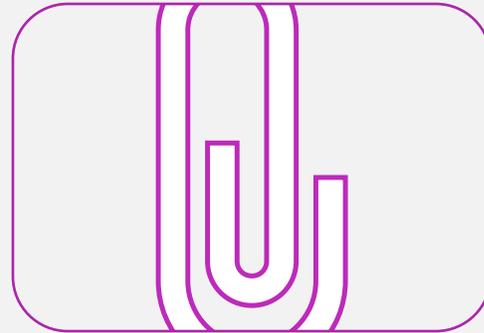
View our [Application Finances Instructional Video](#)



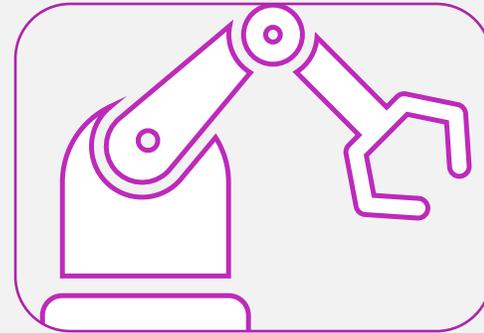
Labour



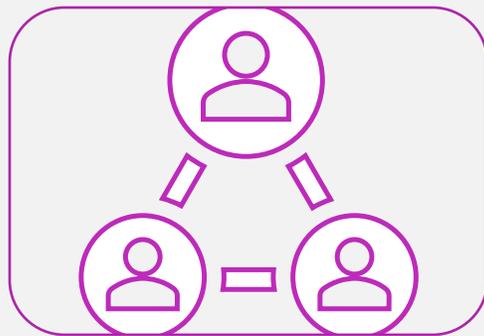
Overheads



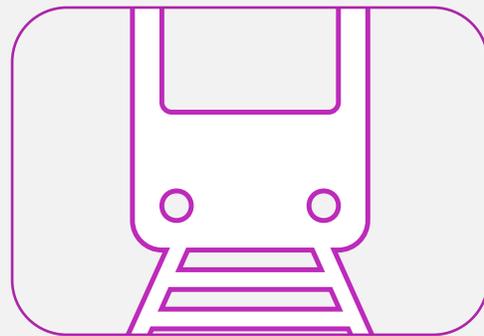
Materials



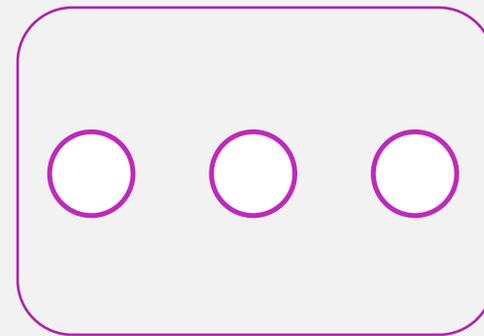
Capital Usage



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 30% 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](#)



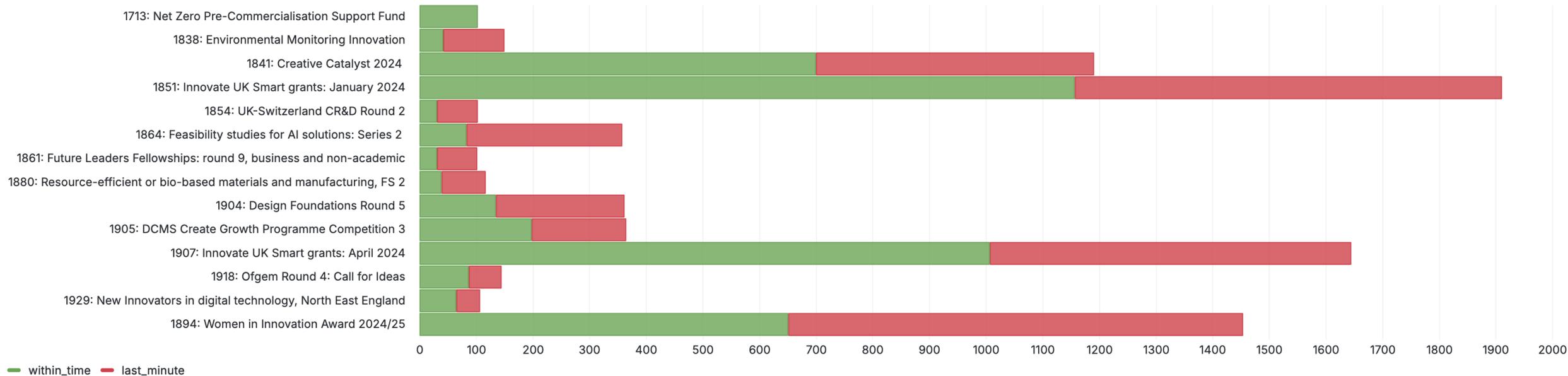
I agree to the [full terms and conditions](#) set out by the funding authority. I understand I need to agree to the final contract if my application is successful.

[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



Assessment

[YouTube Playlist](#)

-  **How do our assessors assess?**
Innovate UK • 8.1K views • 2 years ago
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-  **How are successful applications selected for funding?**
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-  **What steps are there before a project starts?**
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3:45
-  **How are successful projects monitored?**
Innovate UK • 4.1K views • 2 years ago
2:20
-  **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.

Contact

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Innovate UK

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**Innovate UK Business
Connect**

iuk.ktn-uk.org



Innovate UK Business Growth

www.iukbg.ukri.org