

Innovate UK

INNOVATE UK
DELIVERY PLAN

Financial year 2015/16

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INTRODUCTION

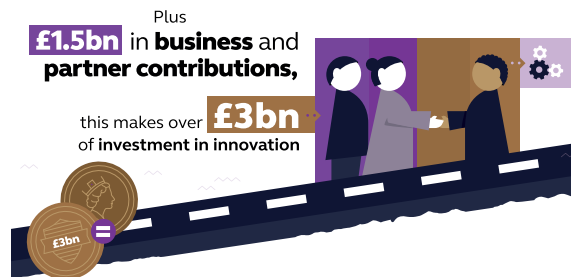
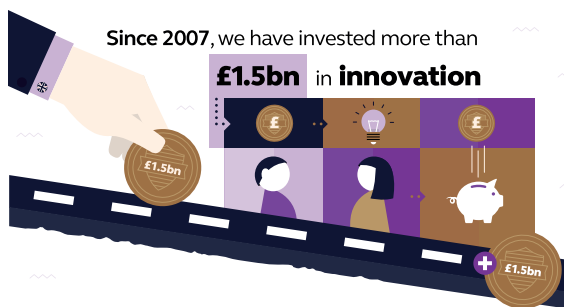
Innovate UK is the UK's innovation agency. We work with people, companies and partner organisations to find and drive the science and technology innovations that will grow the UK economy - delivering productivity, new jobs and exports and keeping the UK globally competitive in the race for future prosperity.

Since 2007, Innovate UK has invested over £1.5 billion in innovation, matched by a further £1.5 billion in partner and business funding. We have helped more than 5,000 innovative companies in projects estimated to add £7.5 billion to the

UK economy and create an average of 7 jobs per company we have worked with.

This delivery plan outlines the main elements of our work during the financial year 2015/16, which ends on 31 March 2016. It is the last annual plan under the umbrella of our five-year strategy Concept to Commercialisation, which was published in 2011. Our core budget for this year is £547 million.

Towards the end of this financial year we will publish our new strategy which will guide our annual delivery plans from April 2016 onwards.



FOREWORD

I am delighted to introduce Innovate UK's 2015/16 Delivery Plan, the first since I joined as Chief Executive. This plan details our activities for the final year of our five-year strategy *Concept to Commercialisation – a strategy for business innovation, 2011-2015*.

When I arrived in May I joined an effective and successful organisation. Innovate UK has grown since 2007 to become the government's primary channel for stimulating the innovation necessary to exploit global market opportunities, meet global challenges and drive future growth.

As the basis for the years from 2016/17 onwards, we are currently developing a new strategic approach and exploring new ways to accelerate innovation and growth, recognising our work to date and the current economic climate. We will publish this new strategy after the Comprehensive Spending Review in the autumn.

The economic uncertainty and fiscal tightening of recent years has underlined the importance of the work we do, and at the same time has heightened the need for us to operate efficiently, choose our priorities carefully, maximise value from the resources we have and demonstrate the impact of our work.

It also makes the principle of partnership even more important. We have always worked closely with others - not

only business but government departments, research councils and other research organisations – and convening resources in this way has proved to bring great results. This plan has more examples of how we are combining the strengths and resources of many players to accelerate innovation and growth.

In this plan we outline new initiatives for this year, including around 100 new competitions for business innovation funding, as well as our support for Catapults and a host of other activities. At the same time, we are managing our portfolio of over 6,500 projects that have begun over the past few years.

Innovate UK has developed constantly and brought together many different programmes, so we need to build new, robust and efficient processes and systems that will equip us for the future. This is the role of our business improvement and change programme, which focuses on key areas from application systems to data management.

We know that what we do works. Since 2007 we have invested around £1.5bn in

innovation projects, with a further £1.5bn contributed by business and partners. We have already helped well over 5,000 companies, with support that is estimated to add around £7.5bn GVA to the UK economy and an average of 7 new jobs per company that we work with.

With a great in-house team and strong partnerships across the innovation landscape, we are looking forward to another exciting and successful year, helping innovators bring new products and services more rapidly to market and enabling growth.

Ruth McKernan
Chief Executive



KEY AIMS

While aiming to define our strategy for the next five years will be a key focus in this financial year, we are still delivering on the five aims of our 2011-15 strategy.

01.

Accelerating the journey from concept to commercialisation

Working with government and business to deliver support that helps businesses overcome the barriers they face to innovating and bringing new products and services to market.

02.

Connecting the innovation support landscape

Building relationships with other UK organisations to join up the players in the innovation support landscape and increasing UK companies' ability to access a range of help and support in the UK, the EU and internationally.

03.

Turning government action into business opportunity

We work with government to identify innovation potential that derives from policy or regulation. We also engage with businesses to find new solutions to public sector challenges, often where government can act as a 'lead customer' or market shaper.

04.

Investing in priority areas based on potential

We work with business, academics and government to identify priority areas for investment where UK businesses can address global challenges

05.

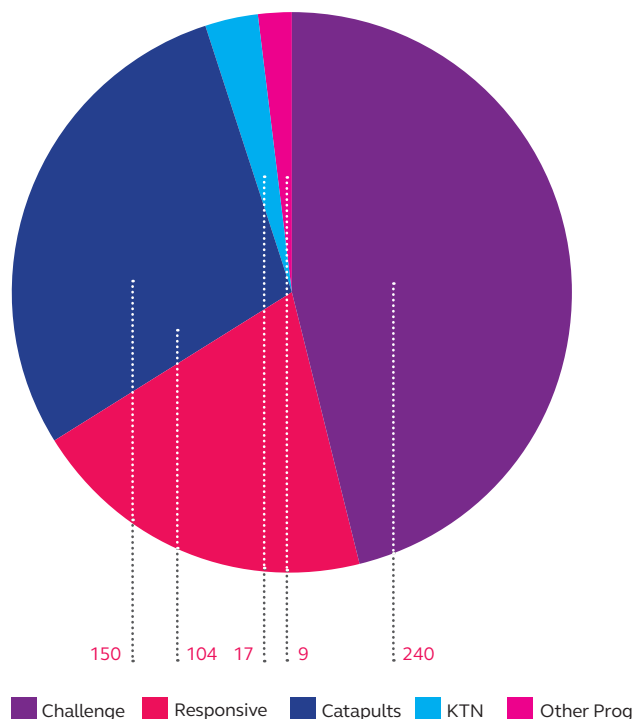
Continuously improving our capability

We are committed to continuously improving our processes and systems so we can better support the needs of business, ensure we remain effective and deliver value for money. This includes developing our staff and providing an environment in which they can continue to deliver great service. ■

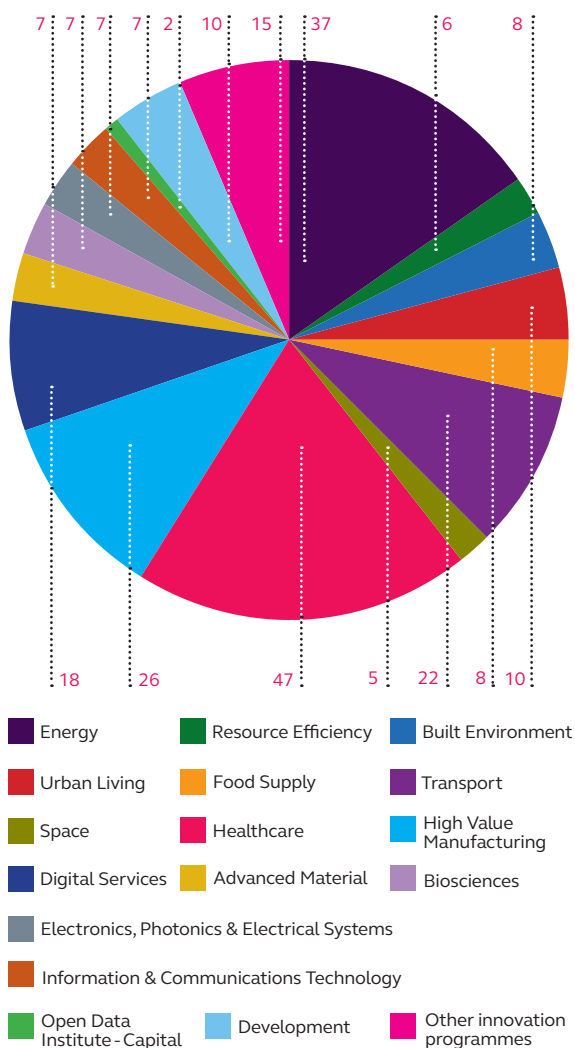
BUDGET 2015/16

Our core budget for 2015/16 is £547m. These charts show the approximate planned breakdown of expenditure across our programmes (excluding administration costs). For further detail on the programmes identified, please see the following pages.

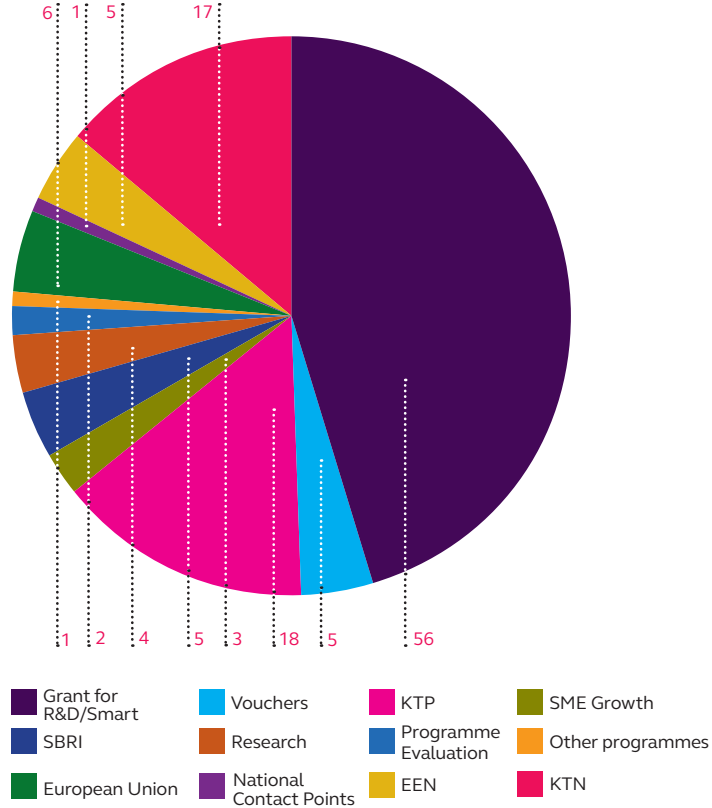
TOTAL BUDGET (£M)



'CHALLENGE' SPEND BY PRIORITY AREA (£M)



RESPONSIVE/SBRI/KTN SPEND (£M)



For the purposes of these illustrations, figures are rounded to nearest £1m

KEY ACTIONS

This is a high-level summary of key actions for the year – for more details, see following pages.

KEY ACTION 2015-16	Detail
Support for high growth SMEs	We will continue to assist small and medium sized enterprises in commercialising their ideas. We will improve the applications process and make it clearer to businesses how we can help.
Developing Catapult network	We will continue to invest in our Catapult network and will open three further centres, for precision medicine, energy systems and medicines technologies.
Horizon 2020 support	We will continue improving our EU Horizon 2020 assistance offer, relaunching our website, evaluating previous successes and seeking out further links between domestic and European programmes
Developing EU and international strategy	We are planning three further entrepreneurial missions to introduce innovative UK enterprises to customers or partner opportunities abroad and will continue to develop strategic relationships with China, India, Malaysia, Brazil and Turkey.
Stimulating collaboration	We will continue to develop the Knowledge Transfer Network (KTN) and forge closer links between it and the Enterprise Europe Network (EEN). We will develop closer ties between the EEN and our National Contact Points and continue investing in innovation and knowledge centres (IKCs).
Agriculture and food	We will: <ul style="list-style-type: none"> ■ Open agricultural centres of innovation ■ Run further rounds of the Agri-Tech Catalyst competitions
Built environment	We will: <ul style="list-style-type: none"> ■ Support roll out of the BIM Digital Toolkit ■ Publish the results of the £8m Building Performance Evaluation programme ■ Scope out our future Retrofit strategy
Digital economy	We will: <ul style="list-style-type: none"> ■ Continue to support the Digital Catapult ■ Provide funding support for the Open Data Institute, Tech City UK and Tech North ■ Run a range of IC Tomorrow competitions to support digital start-ups
Energy	We will: <ul style="list-style-type: none"> ■ Launch the Energy Systems Catapult ■ Continue supporting the Offshore Renewable Energy Catapult ■ Develop European collaborations in next-generation solar systems
Health and care	We will: <ul style="list-style-type: none"> ■ Launch the Precision Medicine Catapult ■ Launch competitions in cell therapy and regenerative medicine, stratified medicine and long-term care ■ Continue to fund and support the Cell Therapy Catapult

<p>High value manufacturing</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Open further High Value Manufacturing Catapult centres of excellence ■ Run one round of the Industrial Biotech Catalyst competition ■ Launch competitions in advanced coatings, additive manufacturing and biologics
<p>Resource efficiency</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Plan another Clean and Cool Mission ■ Take part in the Great Recovery project to help the UK shift to a more circular economy
<p>Space applications</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Continue to support the Satellite Applications Catapult ■ Conduct two entrepreneur missions
<p>Transport</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Launch competitions in aerospace, automotive and for transport as a system ■ Review our impact in low carbon vehicles, support marine sector road mapping and expand our rail expertise
<p>Urban living</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Launch competitions in integrated design and smart spaces ■ Conduct a Future Cities entrepreneur mission ■ Work with partners to identify opportunities in integrated urban futures and urban living
<p>Enabling technologies</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Launch a technology inspired feasibility studies competition ■ Run a Collaboration Nation event ■ Launch competitions in photonics and materials for demanding environments
<p>Emerging technologies</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Launch competitions in graphene and biofilms ■ Continue building innovation communities through special interest groups in a range of emerging technologies
<p>Other opportunity areas</p>	<p>We will:</p> <ul style="list-style-type: none"> ■ Launch our Design Foundations scheme to invest in early stage design in R&D ■ Build critical mass with our research council partners to invest in innovation and knowledge centres ■ Create innovation communities within the Design special interest group ■ Publish our strategy for Design in Innovation
<p>Continuously improving</p>	<p>We will continue to develop our people and processes, simplifying applications and our structure to better service the needs of our customers.</p>
<p>Cooperating with research councils</p>	<p>We will deepen working relationships with research councils and other public sector partners to identify further innovation opportunities.</p>

HOW WE ARE HELPING BUSINESS IN 2015/16

There are many ways in which we enable businesses to bring new products and services more rapidly to market. We offer funding for research and development; access to knowledge, skills, equipment, partners and lead customers; and connections between business, government and academia.

The different forms of support suit companies at different stages of their development and with different needs. For some funding competitions, a company teams up with other businesses or research partners, while others are single-company grants. Our Knowledge Transfer Network offers contacts and potential partners, while Catapult centres provide access to expertise and physical facilities.

With this range of offerings, businesses need a clear way to see how our services might help. So we have grouped our offers into three basic categories:

- **Funding ‘challenge’** – we come to businesses with a challenge
- **Funding ‘responsive’** – businesses come to us with an idea and we respond
- **Connecting** – we offer businesses access to knowledge, partners or facilities.

• Funding: ‘challenge’

Economic and societal challenges are creating global opportunities for innovative solutions. But there are many barriers facing companies which hope to capitalise on these opportunities – this innovation does not just happen.

Businesses need support, from better visibility of opportunities, to co-funding to reduce the risk involved in developing potential solutions.

‘Challenge’ funding forms the bulk of our financial help to business and generally takes the shape of competitions focused on solving problems in a particular technology area. These competitions encourage businesses to identify and address opportunities that they may have missed, and to work with new partners in new markets. See panel on page 11 for a summary of the main types of challenge competitions.

Much of our ‘challenge’ work is focused around 12 specific priority areas. Our action plans for competitions in each priority area are shown on pages 13 to 19.

Number of challenge funding competitions planned, 2015/16

Collaborative R&D:	15
Launchpads:	2
Feasibility Studies:	15
SBRI (Small Business Research Initiative)*:	3
Catalyst rounds:	4
EU:	3

*Funded by Innovate UK. We will run many more funded by partners.

We also manage funding competitions for many partners in Government, helping them to meet their own innovation challenges and objectives.

These include SBRI (Small Business Research Initiative) competitions on behalf of many public bodies from the Ministry of Defence to the Department of Health. To date, SBRI has provided more than 1,600 contracts to help small businesses develop innovative products and services. This year, we will continue to champion SBRI across government and run competitions with partners, as well as launching our own SBRI competitions focused on long term care, learning technologies and stratified medicine.

We also manage funding competitions on behalf of the Aerospace Technology Institute and Advanced Propulsion Centre.

• Funding: ‘responsive’

Our responsive funding is designed to support great ideas from businesses in any area of technology or sector, with competitions open for applications all of the time.

This approach is valued by businesses who find their concept or idea lies outside one of the Innovate UK priority themes or at the interface of multiple

themes - or find that the timing of our challenge competitions does not meet their needs.

Often targeted towards smaller companies, such responsive funding includes Innovation Vouchers, Smart grants, Knowledge Transfer Partnerships (KTP), Eurostars and Eureka. See panel on p11 for more information on these.

In 2015/16, we will be opening new rounds of competitions in the following formats.

Planned funding for 'responsive' competitions, 2015/16	
Innovation Vouchers:	<£5m
Smart:	<£55m
Knowledge Transfer Partnerships:	<£18m
European competitions (Eurostars/Eureka)	< £5m

• **Connecting Catapults**

Our Catapult centres are state-of-the-art facilities where UK businesses, scientists and engineers work side by side to transform ideas into new products and services.

Catapults help businesses develop ideas in an environment that is conducive to innovation and add an important dimension to our research and development support. They are a major long-term investment in the UK's innovation capability.

Since 2011, we have opened seven Catapults and announced three further ones – Energy Systems, Precision Medicine

and Medicines Technologies, which will open their doors this financial year.

This year the Centre for Process Innovation, part of the High Value Manufacturing Catapult, is completing construction of its National Biologics Manufacturing Centre, and developing a new National Formulation Centre, a globally unique capability that will deliver the next generation of formulated products across a wide range of markets. The Manufacturing Technology Centre, part of the same Catapult, will complete its new Advanced Engineering Training Centre with the first intake of students in September.

During the year we will be looking at options and models for further expansion of the Catapult network in line with the recommendations of the Herman Hauser report, published in November 2014.

In 2015/16 we will be evaluating the cases for a number of further Catapults, subject to funding being available during the next spending review period.

IKCs

Innovation and Knowledge Centres (IKCs) are a key component of the UK's approach to commercialising emerging technologies, creating early stage critical mass in an area of disruptive technology. Based in universities, the seven IKCs have international quality research capability and provide access to companion technologies needed for commercialisation.

We will continue to invest in these IKCs in partnership with the Research Councils, and have committed up to £7.5 million in 2015/16. A second phase

investment in the CSIT IKC (for secure information technologies) will continue and we will evaluate the case for further investment in two existing IKCs or in new technology areas.

Horizon 2020

The EU Horizon 2020 programme gives UK firms the opportunity to access funding and develop relationships with businesses and organisations in the EU and beyond.

Our team of Horizon 2020 National Contact Points (NCPs) will continue to actively inform the 2016/17 work programmes for Horizon 2020, looking for opportunities to bring synergies and links between domestic and European programmes.

We will be re-launching our Horizon 2020 website on GOV.UK in 2015 – providing clear signposting for support and information on European opportunities for business and potential UK applicants.

In 2015 we will open a new office in Brussels, with a small team to influence EU partners for the benefit of the UK industry and SMEs.

EEN

The Enterprise Europe Network is a multi-country network part-funded by the European Commission. It is a powerful resource which helps SMEs to build overseas collaborations and access EU funding programmes, supply chain partnerships and export opportunities with a focus on innovation.

After a successful consortium bid, Innovate UK now runs the Enterprise Europe Network in England, Wales

and Northern Ireland, aligned with Scottish Enterprise which manages the EEN in Scotland.

In 2015/16, we will develop the work of the EEN and increase its collaboration with our National Contact Points, whose role is to support companies in the early stages of considering a funding bid to Horizon 2020.

KTN

Creating dialogue between people with different expertise, specialisms and backgrounds is a proven way of driving innovation. It can be especially fruitful at the interfaces between market or technology sectors, which is why in 2014 we changed the model of our knowledge transfer networks. Rather than several groups we now have one large and flexible Knowledge Transfer Network - with a strong focus on collaboration both between and within sectors.

In 2015/16 we will also increase collaboration between the Knowledge Transfer Network and Enterprise Europe Network to deliver a smoother, simpler service to companies seeking support.

Other SME support

Young innovative companies need more than grants to bring their ideas towards commercialisation. Working with partners, we help more of these companies grow by providing access to coaching and mentoring and entrepreneurial training packages as well as connecting SMEs to other forms of support.

GrowthShowcase is an online service which we developed in partnership with GrowthAccelerator. It presents selected companies we have funded to investors;

we now have 60 businesses with profiles online and 200 investors registered, and plan to increase to more than 100 profiles and 300 investors in 2015/16.

International

Beyond Europe, we are developing collaborative innovation programmes to help UK business. We are delivering collaborative R&D competitions with India and China with support of around £4m and we will continue to build relations with both countries through further collaborative R&D calls (jointly with RCUK in China).

We are also opening our first collaborative R&D competitions with Turkey, Malaysia (jointly with the Research Councils), Mexico and Brazil through the Newton Fund in 2015/16. We are exploring international markets and opportunities for UK business, taking part in a mission to Malaysia in July 2015 under the Newton Fund, and the UK-India Technology Summit in Autumn 2016.

Entrepreneur Missions are a valuable element of our help for young, high growth potential SMEs. Working with UKTI, we take selected companies overseas to meet potential customers, partners and investors and raise their ambition and profile.

In the past few years, we have run four Clean & Cool trade missions to the US, connecting 64 innovative clean technology companies with potential investors, partners, suppliers and customers.

As a result, these companies have attracted more than £600 million of investment into the UK in more than 120 deals.

We will run three further Missions in 2015/16, two focusing on space and one on smart cities as well as planning a further Clean and Cool Mission to take place in 2016.

CATAPULTS HELP
BUSINESSES
DEVELOP
IDEAS IN AN
ENVIRONMENT
THAT IS
CONDUCTIVE
TO INNOVATION
AND ADD AN
IMPORTANT
DIMENSION TO
OUR RESEARCH
AND
DEVELOPMENT
SUPPORT.

CHALLENGE FUNDING – MAIN COMPETITION FORMATS

CATALYSTS

A form of R&D funding that focuses on specific priority areas, aiming to quickly turn excellent UK research into commercial products. Three main phases of funding: feasibility studies, industrial research and experimental development. Grants vary from £150,000 to £10 million.

Run in partnership with the Research Councils and government departments.



COLLABORATIVE R&D

Funds businesses, universities and research and technology organisations to work collaboratively on innovative projects in strategically important areas to tackle specific technical or societal challenges. Grants range from £25,000 to £1 million or more.

FEASIBILITY STUDIES

Businesses in need of support to test an innovative idea and explore its commercial potential can compete for up to £150,000 towards their costs. Available to all sizes of business and for both individual companies and consortia.



SBRI

The SBRI programme (Small Business Research Initiative) helps businesses to develop an innovative product or service through a contract, typically up to £1m, from a public sector organisation needing a solution to a specific challenge.



LAUNCHPADS

A Launchpad competition supports the development of a cluster of high-tech SMEs that has grown to focus on a specific technology theme in a specific location. Launchpads offer up to £100,000 for projects as well as business support and access to finance.

RESPONSIVE FUNDING – MAIN COMPETITION FORMATS

SMART

Smart addresses the funding gap experienced by many small innovative businesses. It provides £25,000 to £250,000 to pre-start-ups, micro, small and medium-size businesses to prove feasibility, find a potential market or develop a prototype.



INNOVATION VOUCHERS

Provide up to £5,000 each to enable innovative small and medium-sized businesses to work with experts they have not worked with before and gain knowledge that could help their business to grow.

EUROSTARS

Grant funding to help UK high-tech SMEs to undertake R&D projects and develop partnerships with similar companies and knowledge and supply chain partners elsewhere in Europe.



KNOWLEDGE TRANSFER PARTNERSHIPS

A KTP matches a business with a UK university, college, or research and technology organisation and with a recent graduate - to deliver an innovation project in the business and so build sustainable innovation capability and growth.

£25,000 to
£250,000

AVAILABLE THROUGH SMART

COOPERATION

We will continue to build strong relationships with the research councils.

Innovate UK and RCUK have a shared vision: “to deliver UK economic growth by enabling an innovative, high-value, knowledge-based economy with high productivity”.

Urban Living has been chosen for piloting new approaches to working in partnership to deliver one of our four shared objectives - ‘turning grand challenges into business opportunities’.

We will develop a genuinely joint programme in Urban Living, using new approaches that will deliver high impact and demonstrate collaborative working to the benefit of society and the UK economy. A £2m joint scoping phase with pooled resources from all eight research organisations has been approved, which will form the basis for a much larger joint programme of work.

To deliver the second of our shared objectives - ‘rapid commercialisation of ideas arising from research’ - Innovate UK and the Research Councils are working together to explore and develop new approaches for moving potentially high-impact technologies more rapidly from the research base into commercial reality by:

- removing as many of the constraints as possible and
- defining a pathway to exploitation that increases the chance of capturing and retaining value for the UK economy and society in general.

The first pilot of this is in Quantum Technologies, where Innovate UK, DSTL, NPL and EPSRC are working together to exploit the UK’s undoubted scientific strengths and ensure that a scientific, technological, manufacturing and economic centre of gravity remains anchored in the UK.

Further opportunities for pilots are under discussion with other research councils.

Further cooperation

Other relationships are also vital as we align innovation resources for maximum benefit to business.

We work very closely with many central government departments. This year’s activities include delivering an Internet of Things demonstrator funded by the Department for Culture, Media and Sport, and a range of transport programmes co-funded by the Office for Low Emission Vehicles (see priority area action plans).

We also accelerate innovation through many other public sector partnerships.

As examples, this year we will:

- Continue delivering training and support for SMEs through the Business Growth Service, in partnership with the Enterprise Europe Networks.
- Work with UK Trade and Investment to help innovative UK companies access export advice, and stimulate inward investment by showcasing them to overseas investors.

- Nationally roll out the Innovate UK / HEFCE funded programme iCURE (Innovation and Commercialisation of University Research) which provides early-stage researchers with training, mentoring and funds to speed up the commercialisation of their ideas and support the development of spin-out companies.
- Continue working with other partners such as British Standards Institution, to convene industry standards that can help drive innovation, and the Intellectual Property Office, to help innovative companies access the IP support they need.

IN DETAIL: PRIORITY AREA ACTION PLANS

We focus particularly on a number of priority areas. We set strategies in each area based on opportunities and UK capabilities, set challenges and run funding competitions and other activities to help businesses find solutions through innovation.

These tables show the competitions and milestones planned for each priority area in 2015/16.

The amounts shown for funding competitions are the commitments we expect to make in the year. These

commitments are usually spent over a number of years as the funded projects progress.

The types of competition are shown under Activity as follows:

- Catalyst
- CR&D: Collaborative Research and Development
- FS: Feasibility Studies
- SBRI: Small Business Research Initiative
- Launchpad
- EU: European competition

For descriptions of each competition type please see panel on page 11 or visit:

www.gov.uk/innovation-get-details-about-innovate-uk-funding-competitions

AGRICULTURE AND FOOD

FUNDING COMPETITIONS	Activity	Timing & Budget
Agri-Tech Catalyst Round 5	Catalyst	Q1/2 < £10m
Reducing sugar, salt and fat in our food	CR&D	Q2 < £10m
'Satellite Food' – harnessing satellite technologies for food production	FS	Q3 < £2m
Agri-Tech Catalyst Round 6	Catalyst	Q3/4 < £10m

CONNECTING

- Centre for Agricultural Informatics and Sustainability Metrics goes live in Q2.
- Three or four other centres of agricultural innovation go live in Q4.

BUILT ENVIRONMENT

CONNECTING

- Engage the community with Building Information Modelling (BIM) Digital Toolkit and Digital Built Britain programmes.
- Disseminate the lessons from Building Performance Evaluation and Design for Future Climate programmes.

DIGITAL ECONOMY

* = subject to confirmation of multi-year funding from Government

FUNDING COMPETITIONS	Activity	Timing & Budget
IC tomorrow competitions to help digital start-ups link to commercial partners. Likely contests include: Virtual/Augmented Reality; Quantified/Digital Health; Urban Living/Smart Spaces; Retail and Sharing Economy	Funding competitions and business support	Q1-Q4 < £2m
Digital Media Launchpad	Launchpad	Q1 < £1m
Internet of Things hardware accelerator: developing the solutions from the demonstrator to pre-production levels	CR&D	Q1 < £1m*
Internet of Things cities demonstrator (on behalf of Department for Culture, Media and Sport, DCMS)	CR&D	Q2 < £10m (funding from DCMS)
Internet of Things software infrastructure: building solutions and capability	FS	Q4 < £1m
Visual and performing arts: a collaboration with Arts Council England	FS	Q2 < £500k
Learning technologies 'Design for impact' - phase 2	SBRI (using Innovate UK funding)	Q2 < £2m
Cross-platform production 3: helping digital media businesses working with visual effects technologies	CR&D	Q3 < £3m
Innovation with corporate data	FS	Q4 < £1.4m

CONNECTING

- Continue to support the Digital Catapult, the Open Data Institute and Tech City UK with funding.
- Co-fund Tech North, which celebrates and champions the vibrant tech community in the North of England.

ENERGY

FUNDING COMPETITIONS	Activity	Timing & Budget
Energy Catalyst Round 3 and Round 4, in partnership with Department of Energy and Climate Change (DECC), the Department for International Development (DfID) and Engineering and Physical Sciences Research Council (EPSRC)	Catalyst	Q1 & Q3 < £15m
Enabling technologies for energy	FS	Q4 < £2m
Integrated supply chains for energy systems (phase 2)	CR&D	Q3 < £9m
Solar ERANET: developing European collaborations in next generation solar systems (www.solar-era.net)	EU (ERANET)	Q4 < £0.8m

CONNECTING

- Continue to support the Offshore Renewable Energy Catapult, with funding of up to £15m.
- Provide startup support of up to £5m to the new Energy Systems Catapult.
- Maintain our funding contribution to the Energy Technologies Institute, and contribute to the

Institute by steering strategy, coordinating programmes and disseminating outputs.

- Support the Solar Energy Systems Special Interest Group in its second year. See <https://connect.innovateuk.org/web/sessig>.

HEALTH AND CARE

FUNDING COMPETITIONS	Activity	Timing & Budget
Stratified medicine: connecting the UK healthcare infrastructure to accelerate commercialisation	SBRI (Innovate UK funding)	Q2 < £10m
Long Term Care Revolution national challenge	SBRI (Innovate UK funding)	Q1 < £4m
Cell therapy and regenerative medicine	CR&D	Q1 < £8m

CONNECTING

- We will continue to fund and support the Cell Therapy Catapult with up to £13m during the year and will also contribute up to £34m for setting up the Cell Therapy Catapult Manufacturing Centre over the years 2014-17.
- We will establish the Precision Medicine Catapult and the Medicines Technologies Catapult with funding of up to £34m and up to £5m respectively in 2015/16.

HIGH VALUE MANUFACTURING

FUNDING	Activity	Timing & Budget
Industrial Biotechnology Catalyst: round 4	Catalyst	Q1 < £5.75m
Analytics for Biologics	CR&D	Q1 < £4m
Development and Applications of Advanced Coatings	FS	Q2 < £2m
Additive manufacturing	CR&D	Q4 < £5m

CONNECTING

- Continue to fund and support the High Value Manufacturing Catapult with up to £37 million of funding in the year.
- Through the KTN, run an event to encourage knowledge transfer on the adoption of world-class simulation technology in manufacturing.

RESOURCE EFFICIENCY

CONNECTING

- Around the end of the financial year, run a Clean and Cool Mission, taking 15-20 of the UK's most innovative cleantech companies to overseas markets to help them grow faster.
- Fund and participate in the Great Recovery project with the RSA to help the UK shift to a more 'circular' economy.

SPACE APPLICATIONS

FUNDING COMPETITIONS	Activity	Timing & Budget
In-Orbit demonstration: continuing our programme to build demonstration satellites (with the Satellite Applications Catapult and other government partners)	Partnership	< £2m
Cross-sector funding: a series of co-funded projects with other Innovate UK priority areas, planned to focus on agritech and transport	CR&D and SBRI	< £3m

CONNECTING

- We will continue to fund the Satellite Applications Catapult with up to £10m of funding during the year.
- We will run two entrepreneur missions to the United States in 2015-16 – one on the theme of CubeSat and the other on space applications.

TRANSPORT

* = subject to confirmation of multi-year funding from Government

FUNDING COMPETITIONS	Activity	Timing & Budget
Highly innovative technologies in aerospace (HITEA 3)	CR&D and FS	Q1 < £10m
Spearheading future electric vehicle traction battery production (in collaboration with the Office for Low Emission Vehicles, OLEV)	CR&D	Q1 < £10m (all from OLEV)
Integrated Delivery Programme competition 12, supporting the UK's low carbon vehicle sector (in partnership with OLEV)	CR&D and FS	Q2 < £20m (inc. £15m from OLEV)
Lightweight vehicle structures (in collaboration with OLEV and BIS)	CR&D	Q2 < £20m (inc. £15m from OLEV/BIS)
Continued support for projects in the Niche Vehicle Network Programme	Direct programme funding	Q1 £1.2m (inc. £0.5m from OLEV)
Transport as a system - Enhancing the End to End Journey; positioning the UK as global centre for intelligent mobility	CR&D	Q2 < £10m
Connected and Autonomous Vehicles; positioning the UK as global centre for intelligent mobility	CR&D	Q3 < £20m * (from C-CAV)

CONNECTING

- We will continue to support the Transport Systems Catapult.
- We will support the marine sector in completing and disseminating a revised technology roadmap for the UK marine industry.
- We will enhance our knowledge of how to drive innovation in rail
- We will support and/or participate in key sector events including LCV 2015, the UK's leading business-to-business low carbon vehicle event; JSAE 2015 Japan, the largest automotive technology conference in Asia; and Aerodays, the 7th European aviation research and innovation event.

URBAN LIVING

FUNDING COMPETITIONS	Activity	Timing & Budget
Integrated by design – focused on building system integration into large infrastructure projects in urban areas	FS	Q3 2015 < £800k
Urban living smart spaces – exploring innovative ways of working, living and playing in urban environments	IC tomorrow	Q4 2015 < £100k

CONNECTING

- Continue to fund and support the Future Cities Catapult.
- Run a Future Cities Entrepreneur Mission, to help SMEs in the urban living area to develop and access overseas markets.
- Work with ScienceWise on an integrated urban futures programme to understand the future of urban systems, to identify the greatest opportunities for resilient integration, and to test possible future options with citizens.
- Run urban living discovery days (in partnership with Department for Communities and Local Government) to share the best practice learning from our future city demonstrators in Glasgow, Peterborough, Edinburgh, and London.

ENABLING TECHNOLOGIES

FUNDING COMPETITIONS	Activity	Timing & Budget
Technology Inspired collaborative - encouraging small and micro businesses to collaborate with new partners to develop technological innovations	FS	Q1 < £3.0m
Integrated 'omics' technologies - collaborative and individual company	FS	Q1 < £2.0m
Materials for demanding environments - collaborative	FS	Q3 < £2.0m
Beyond current software testing - new ways to test and validate software components and systems	FS	Q2 < £0.5m
Photonics Launchpad - focused on smart imaging, lasers and materials processing and bio/medical photonics	Launchpad	Q4 < £0.5m
ERANET – photonics-based sensing technologies (funded jointly by the participating national funding bodies and the European Commission)	EU	Q4 < £1.5m
The ECSEL Joint Technology Initiative – a 7-year EC-led programme focusing on market sectors underpinned by advances in process technologies, equipment and materials, design technology, cyber physical systems and smart systems integration	EU	Q2 < £1.0m

CONNECTING

- Run a Collaboration Nation event to help companies who have succeeded in our Enabling Technologies competitions find partners and investors.

EMERGING TECHNOLOGIES

* = subject to confirmation of multi-year funding from Government

FUNDING COMPETITIONS	Activity	Timing & Budget
Graphene: helping companies evaluate the potential of graphene in their applications and markets	FS KTN	Q2-3 < £1.5m
Biofilms: helping companies evaluate the potential of recent developments in biofilm science	FS	Q1-2 < £2m
Quantum technologies: innovation investments as part of the UK National Quantum Technologies Programme	TBC	TBC*

CONNECTING

- Continue to build innovation communities in the highest potential emerging technology areas, supporting special interest groups in synthetic biology, energy efficient computing, energy harvesting, non-animal technologies, emerging imaging technologies, graphene, quantum technologies and biofilms.
- Building critical mass - with EPSRC and other research council partners, continue to invest in innovation and knowledge centres to create early stage critical mass in emerging technology areas.

OTHER OPPORTUNITY AREAS

FUNDING COMPETITIONS	Activity	Timing & Budget
A new scheme, 'Design Foundations', to invest in the early stage use of design in technology R&D		Q3-4 < £1m*

CONNECTING

- continue to bring the technology innovation and design communities together through the Design Special Interest Group.

Thanks to Innovate UK funding, Versarien has grown from a two-man outfit to a listed company in rapid time.

A materials business supported by Innovate UK has moved in a few years from a garage start-up to one of the UK's fastest-growing companies.

Versarien was founded in 2010 to commercialise an innovative process for making metallic foams.

After receiving grant funding from Innovate UK, Versarien has worked on a number of further Innovate UK projects and received help from the GrowthAccelerator business support service.

This has resulted in rapid growth – from two people working out of a garage to a £5m business working on four sites and with a listing on the London stock exchange.

Neil Ricketts, founder and chief executive, said: “If we had not got

that first grant, there is no way we would have been able to pursue that market or create jobs. It took the risk out for our shareholders and created a huge amount of validation.”

The business specialises in commercialising advanced materials technologies and is now working with metal foams, graphene and extruded aluminium. It is targeting £6 billion global markets and expects to continue to grow.

“We see Innovate UK as a real partner. It isn't just there at one particular time; it's there all the way through the journey.

“I don't think we would be in the position we are in without the contacts, the connections and the help we have received from Innovate UK.

GARAGE TO GLOBAL
IN THREE YEARS

SLEEPING PARTNERS

Innovative ‘sleep mask’ could save NHS billions

A treatment developed thanks to an SBRI contract with the NHS and £12m in grant funding from Innovate UK has the potential to save more than £1bn a year.

Noctura – a sleep mask designed by UK company PolyPhotonix to halt sight problems associated with diabetes and improve age-related eye degeneration – works by preventing the damage caused during sleep by hypoxia (lack of oxygen) when the eye adapts to darkness.

Since 2008, PolyPhotonix has worked with the Centre for Process Innovation (CPI) – a part of the High Value Manufacturing Catapult – and other Innovate UK teams to run feasibility studies and eventually develop a prototype of the treatment that is expected to be in use by the end of 2015.

“Innovate UK have been fantastic,” said PolyPhotonix CEO Richard Kirk. “We couldn't have done any of this without them. We've received grants for feasibility studies to fund our University partners, benefitted from the Knowledge Transfer Partnership programme and SBRI Healthcare is supporting our clinical trials and NHS programmes.”



HOW WE OPERATE

Behind all our delivery programmes is an operations team that ensures we best meet the needs of our customers and stakeholders alike. That team is committed to improving our capability continuously across a range of metrics.

Innovate UK is committed to continuously improving its capability to ensure we focus on the needs of business, remain effective and deliver great value for money.

• **Business improvement and change**

We have embarked upon a business improvement and change (BIC) programme that has already delivered great results in terms of our operations and will continue to do so in 2015/16.

Delivery of that programme is on target for 2015/16 and is focused through five key programmes:

- **Transforming our grant systems and services (TGSS)** – we will deliver our first collaborative research and development (CR&D) competition on an end-to-end online system, ensuring an easier and more consistent journey for the customer.
- **Managing the portfolio to budget** – an internal initiative that ensures our work is carried out according to the budget set by BIS will be completed in 2015/16.
- **Simplifying the brand** – a comprehensive project to make it easier and more intuitive for customers to engage with us will be completed in 2015/16.
- **Improving our current processes** – in the coming financial year, we will have simplified the Knowledge Transfer Partnerships (KTP) system to make it more consistent and will

have improved our internal financial processes to make them more efficient.

- **Improving SMEs' commercial success** – the project to encourage SME growth through coaching and mentoring was delivered on time.

Alongside these, we are continuing to look at other areas to improve and will be training the entire organisation in continuous improvement and undertaking a wholesale review of our performance measurement process.

In financial year 2015/16, the BIC Programmes are targeting annualised savings of around £1million.

• **Integrated customer support**

Integrated customer support is at the heart of what we do, so in 2015/16 we plan to fully roll out our new Customer Support Service structure.

We are here to support businesses as much as possible and to put them in touch with the right people to help, so we have introduced a new structure to enable more first-time resolution of customer calls.

Having selected a Customer Relationship Management (CRM) platform, we are targeting implementation of this in the third quarter of the financial year. In preparation for this, we are embedding the new structure throughout the organisation, which we aim to have completed by the end of the second quarter.

By the end of the financial year, we aim to have fully integrated the CRM into

our telephony system to help us meet our goal of becoming a more efficient organisation for our customers.

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THE BUSINESS IMPROVEMENT AND CHANGE PROGRAMMES ARE TARGETTING ANNUALISED SAVINGS OF AROUND £1 MILLION.

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• Impact and evaluation

Measuring the impact of what we do is critical to our understanding of the value we create. We are committed to improving our understanding of the impact of our programmes. Robust evaluation will help us to improve delivery and impact and, combined with more rigorous analysis of opportunities, will help steer future investments. In October 2013 we established a dedicated economics and evidence function to take forward a complete plan of impact analysis.

In 2014/15 we commissioned independent researchers to conduct thorough evaluations of:

- SBRI
- Smart
- Knowledge Transfer Partnerships
- Biomedical Catalyst
- The Low Impact Building, Sustainable Agriculture and Food and Low Carbon Vehicles Innovation Platforms.

In 2015/16, we will publish the final reports of SBRI and Knowledge Transfer Partnerships evaluations, along with interim reports from the other evaluations. We will also commission an evaluation of the Catapult network, and continue to roll out new evaluations of our activities to ensure a comprehensive, robust evaluation plan is in place.

We will continue to improve our analysis of impact and effectiveness by making better use of the data we hold and linking it to other sources to understand more about the companies

we support. This will provide greater insight into our impact and effectiveness and help to inform decisions about where we are going.

We will engage more with the academic community, drawing on the excellence in the UK research base to improve our strategic decision making. We will continue contributing to the funding of the Enterprise Research Centre, building the evidence around how small companies grow, and have established an 'Innovation Caucus' to draw on excellence across the social sciences to inform our decision making and delivery of support.

• People and resource planning

To achieve its objectives, Innovate UK has built a highly skilled team of specialist and professional support staff with a wide range of capabilities, most with a strong track record in business.

With a need to manage carefully our overhead costs, we operate a rigorous approach to recruitment management. Our current staff base, which necessarily grew rapidly over recent years along with our responsibilities, for this year remains at around 300. We have refined the structure of our executive management team under our new Chief Executive and are focusing on how we further grow the leadership capabilities needed to deliver our objectives, and on streamlining our processes and operations so that we can be more efficient.

This year we launch our first graduate recruitment programme, tapping into new talent from our universities to find a small number of potential key staff for the future. Also this year we are rolling out a number of in-house training programmes and a new system module to support the personal development discussions and plans that are part of our people strategy.

TO DELIVER
UK ECONOMIC
GROWTH BY
ENABLING AN
INNOVATIVE,
HIGH VALUE,
KNOWLEDGE-
BASED ECONOMY
WITH HIGH
PRODUCTIVITY

FIND OUT MORE

This Delivery Plan for 2015/16 represents a range of activities focused on the needs of innovative businesses and on the areas where there is the greatest opportunity for innovation to accelerate economic growth.

We encourage businesses of all sizes and in all sectors to look at the opportunities we offer, whether for funding or connecting with

knowledge and partners, so that they can move more rapidly on their own innovation journey, and contribute to future UK prosperity.

Visit our website to read the success stories of many companies that have worked with us – or to find out more about any other aspect of our work.

www.innovateuk.gov.uk

Innovate UK is the UK's innovation agency. The legal name of the organisation is the Technology Strategy Board. It is an executive non-departmental public body sponsored by the Department for Business, Innovation and Skills, and incorporated by Royal Charter in England and Wales with company number RC000818. Registered office: North Star House, North Star Avenue, Swindon SN2 1UE.

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