

## **Local Innovation Partnerships Fund – Guidance Notes for Earmarked Strand**

The Local Innovation Partnerships Fund (LIPF) is a new £500 million UKRI-led programme which covers the period 2026 to 2031. It empowers innovation leadership through local ‘triple helix’ partnerships between civic institutions, business and universities, delivering impact, at scale.

The LIPF will support the development and scaling of high-potential innovation clusters across the UK. It is designed to support both established clusters with a proven track record of innovation, and emerging clusters that are in earlier stages of development but have significant potential to generate economic value.

There is up to £500m available through two funding strands: an earmarked strand and a competed strand. Further information on the Fund can be accessed on UKRI’s website at <https://www.ukri.org/publications/local-innovation-partnerships-fund-guidance/>

At least £30 million of funding has been guaranteed for Northern Ireland via the fund’s earmarked strand which is focused on a corridor covering Belfast and Derry-Londonderry. Guidance on the earmarked strand can be accessed at the following link: <https://www.ukri.org/opportunity/local-innovation-partnerships-fund-earmarked-strand/>

In parallel, there is a competitive funding opportunity with up to £20 million per place available for high-potential innovation clusters not covered by an earmarked award. Guidance on the competed strand can be accessed at the following link <https://www.ukri.org/opportunity/local-innovation-partnerships-fund/>

The Department for the Economy is working collaboratively with UKRI and Invest NI on the earmarked strand for Northern Ireland’s Innovation Corridor. The competed strand is a separate open funding call which is run by UKRI. Eligible applicants should apply directly to UKRI for this strand.

### **Earmarked Strand – Northern Ireland’s Innovation Corridor**

At least £30 million has been allocated to Northern Ireland to support cluster(s) in the Belfast-Derry/Londonderry Innovation Corridor. This is a £30million award over a five-year period. Eligible activities for funding can be found in UKRI’s guidance note.

The clusters for Northern Ireland’s earmarked award have been confirmed as:

- Life and Health Sciences cluster - selected for its focus on connected health through data and intelligent formulation, with AI and cyber as enabling capabilities, and its potential for significant regional impact.
- Net Zero Transport/Energy Infrastructure-Enabled cluster - selected for its strong alignment with strategic priorities and its potential for significant regional impact.

The development of the readiness check will be facilitated by the Department for the Economy. The ability to robustly demonstrate private sector match funding will be a critical factor throughout project development and delivery. Please see more information on match funding requirements below.

## **Process for Applications – Earmarked Strand**

### **Requirements from UKRI**

As part of the application process for the earmarked strand of this fund, regions will be asked to first submit a readiness check and later submit a portfolio of projects for assessment by an independent panel, in line with standard UKRI processes. There will **only be one** readiness check and one subsequent portfolio submission prepared for UKRI assessment for the earmarked strand.

UKRI has agreed that the Department for the Economy will oversee the submission process for the Belfast-Derry/Londonderry Innovation Corridor.

### **Local Decision Making**

There will be a two-stage process:

- Stage One Expressions of Interest (EOI) – EOIs were invited from clusters within the Belfast–Derry/Londonderry Innovation Corridor. The EOI window closed at 4:00pm on 3 December 2025. EOIs received will inform the region’s readiness check submission to UKRI by 3 February 2026 (wave 2 deadline).
- Stage Two – The development of a cluster-focused project portfolio for submission to UKRI by 5 May 2026 (wave 2 deadline) for assessment.

The Department for the Economy, working with Invest NI, UKRI and a new expert-led LIPF Innovation Panel, will oversee the readiness check submission for the Belfast to Derry/Londonderry Innovation Corridor for the guaranteed £30m earmarked award.

The process, timelines and further details will be updated on the NI Business Info site as development of the programme continues and will be coordinated at a local level.

### **Belfast- Derry/Londonderry Innovation Corridor**

The Belfast – Derry/Londonderry Innovation Corridor is defined as below:

- Those areas that are located within the Belfast Region City Deal and the Derry~Londonderry & Strabane City Region City Deal as shown in figure 1.
- Clusters based within these regions are able to invite membership from organisations outside of the Corridor as long as they can demonstrate that the benefit and impact will be for the cluster within the Corridor.

Figure 1 – Areas included in Belfast Region City Deal and Derry~Londonderry & Strabane City Region City Deal boundaries



## Selection Process

Through co-creation with UKRI, regions are asked to identify and assemble a compelling portfolio of activities that draw upon local research and innovation strengths and support the high-potential ‘innovation clusters’ identified within their region, empowering innovation leadership and delivering impact, at scale.

An expert-led Innovation Panel has been established for Northern Ireland’s Innovation Corridor with representatives from across the innovation ecosystem. The Panel has confirmed the clusters of focus for the Belfast-Derry/Londonderry Innovation Corridor for the earmarked award and will oversee the readiness check submission to UKRI.

The Panel will be asked to declare any actual, potential, or perceived conflicts of interest which may arise in the course of their duties. This ensures that all decisions taken by the Panel are impartial, transparent, and compliant with the Nolan Principles of Public Life — selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

## Match funding

LIPF Funding, provided through UKRI, has match funding requirements. Partnerships submitting expressions of interest under stage one of the process were expected to robustly demonstrate evidence of match funding. In stage two, as part of applications for project funding, applicants will be expected to provide a proportion of the total eligible

project costs. Across the £30m of investment UKRI will need to see that the portfolio of activities (not individual projects) can generate an absolute minimum private to public investment ratio of 1:1 during the delivery phase and 2:1 across the portfolio's lifespan (7-year reporting period - 5 years of the programme plus 2 further years reporting period). Ideally projects should demonstrate how they could deliver a ratio of 3:1 over the lifespan.

The focus on leveraging private sector activity from the LIPF is particularly important in the longer-term, even if it cannot be achieved out the outset of projects. UKRI has confirmed that 'in kind' funding is not considered eligible.

Evidence of ability to match fund is considered critical. Expressions of Interest were expected to provide detail and clarity on how match funding will be delivered.

### **What happens next?**

The Department for the Economy, working with the selected clusters, will complete a readiness check for UKRI by February 2026.

Following this, a cluster-focused portfolio submission will be developed and issued to UKRI in May 2026 for assessment.

### **Further Information**

For further information, you can contact:

The Department for the Economy LIPF Team at [innovationfunding@economy-ni.gov.uk](mailto:innovationfunding@economy-ni.gov.uk)

The UKRI Place Team at [place@ukri.org](mailto:place@ukri.org)