

Greater Manchester Combined Authority

Date: 28th November 2025

Subject: The Local Innovation Partnerships Fund

Report of: Councillor Bev Craig, Portfolio Lead for Economy, Business and Inclusive Growth and Tom Stannard, Portfolio Lead Chief Executive for Economy, Business and Inclusive Growth

Purpose of Report

To update on the development of the national Local Innovation Partnerships Fund (LIPF), the successor fund to the Innovation Accelerator pilot, and to agree arrangements for the development and allocation of the Fund by the Innovation Greater Manchester Board (IGM).

Recommendations:

The GMCA is requested to:

1. Note the information on the LIPF, the decisions and processes required for its successful allocation and delivery, and the roles and responsibilities of UKRI, IGM and GMCA.
2. Note the role of the representatives of the GMCA who are members of IGM, who will participate fully (on behalf of the GMCA) in that Board's discussions and decisions on the elements of the co-design and allocation of the LIPF for which IGM is responsible.
3. Subject to IGM taking the decision to pass additional responsibilities in managing the LIPF to the GMCA on its behalf, to delegate to the Group Chief Executive Officer, in consultation with the GMCA Portfolio Lead and Portfolio Lead Chief Executive for Economy, Business and Inclusive Growth, the decision-making authority for: the process of allocating the LIPF, the selection of interventions to be

recommended to UKRI to be funded, and - as required - to accept and award grants to successful local projects on behalf of IGM and UKRI.

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Risk Management:

The programme currently exposes the GMCA and IGM to reputational risk, testing our capacity to carry out an evidence-based and transparent process to identify, quality assure and oversee delivery of a portfolio of innovation projects which will deliver economic growth outcomes over 5 years, whilst also meeting Government's ambitious £3:1 ratio of private to public investment for the fund. There may also be financial and legal risks to GMCA should we choose to become an "anchor institute", receiving and managing the allocation of grant funding to successful projects. A Risk Register will be created, with clear mitigations in place, to be managed by the GMCA alongside IGM and UKRI. GMCA has clear processes for receiving, awarding and managing grant funding which will be adhered to if fulfilling the role of 'anchor institute'.

Legal Considerations

The GMCA will ensure any relevant legislation is followed where decisions are made in relation to process design and the selection of projects to receive public funding and, if fulfilling the role of "anchor institute", in the receipt and award of grant funding to successful projects on behalf of IGM. Any legal considerations in receiving funding from UKRI will be reviewed and considered in the scope of onward award, in line with the conditions set out in any legal agreements with UKRI.

Financial Consequences – Revenue

The programme is expected to result in additional revenue and capital funding for local innovation projects and assets. This may include the GMCA receiving funding from UKRI on behalf of local projects, to be awarded to projects as grant.

There are direct costs to GMCA for the delivery of this programme. These are expected to be met through capacity grant funding from UKRI, or otherwise will be met through existing budget already allocated from locally retained business rates.

Financial Consequences – Capital

The programme is expected to result in additional revenue and capital funding for local innovation projects and assets. This may include the GMCA receiving funding from UKRI on behalf of local projects, to be awarded to projects as grant.

Number of attachments to the report: 1

Background Papers

Local Innovation Partnerships Fund: Initial Guidance Document: [UKRI-280725-LIPF-InitialGuidance.pdf](#)

Local Innovation Partnerships Fund: Further Guidance: [UKRI-031025-LIPF-Further-Guidance-Documents-FINAL-251003.pdf](#)

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

Bee Network Committee

N/A

Overview and Scrutiny Committee

1. Background

1.1. Integrated Pipeline and Investment Strategy

1. We are using our devolved powers to create a 10 year integrated pipeline to unlock the transformational potential of our six Growth Locations, regenerate our town centres, and deliver the critical transport infrastructure required to connect our residents to the new employment and skill opportunities that we create. We recognise that delivering growth at this scale demands an innovative and coordinated approach to investment and delivery in a way that enables us to accelerate progress, leverage collective resources, and maximise outcomes.
2. The pipeline provides a structured and dynamic framework for identifying, sequencing, and prioritising key growth and place-making opportunities across GM over the next decade, and will support a rolling programme of investment, that ensures resources are directed to the right places at the right time. Funding will be recycled wherever possible to maximise the benefits GM can deliver with its limited resources and will seek to maximise the investment into GM made by other government partners and the private sector.
3. Our public sector is acting as an enabler, attracting billions of pounds of investment, unlocking land and paving the way for the private sector to deliver. GMCA already has a strong track record of investing in order to deliver new homes and to drive regeneration and growth. However, viability challenges exist across the region causing the strategic sites, that are needed to unlock our growth potential, to stall. In order to address this, and deliver on our ambitions, our approach to investment needs to change to focus our investment resources into the projects and schemes that are the highest priority. This requires a system change whereby we determine what needs to be funded first, and then determine the make-up of the funding second. This means we need to move away from pots of funding that have different criteria (some of which are restrictive) and pool the investment resources we have in order to make the money go further. Our new approach to investment, is designed to address these challenges.

1.2. Innovation-led Growth

4. This approach to investment will be applied to ensuring GM has a strong underpinning research and development ecosystem through a triple helix model - creating new technology and future focussed jobs, investing in the scientific excellence of our

Universities, and meeting business need with targeted funding to drive innovation and increase productivity.

5. For over 200 years Greater Manchester has been the driving force behind new global frontiers in the field of innovation - social and cultural, as well as scientific and technological. Our region played a pivotal role in the first three industrial revolutions, making pioneering breakthroughs and building new industries to harness the power of steam and water, electricity, and information technology. We have a strong innovation ecosystem, with leading research and development institutions and many 'growth-driving' frontier sectors, such as life sciences and health innovation, advanced materials, and AI. We're home to leading universities and research institutions. The University of Manchester, a global Top 50 university known as the birthplace of the revolutionary 2D material graphene and the modern computer, and ranked first in the UK for the quality of its research. Our universities are vital regional economic and innovation assets, employing thousands of people and creating ideas that kickstart the industries of the future and improve the lives of residents. They've made us a magnet for global talent, with a student population of more than 125,000. They provide employers with a steady pipeline of highly skilled staff and have fostered a vibrant start-up scene, helping businesses to spin out and scale up and attracting inward investment to our city region. The University of Salford is in the top five in England for social mobility, with 93% of students going into employment, and Manchester Metropolitan University is the leading provider of degree apprenticeships in the UK.
6. Through [Innovation Greater Manchester](#) Greater Manchester's universities, businesses and public sector are working together to increase business and public sector investment in R&D and develop more connected clusters of innovation. Through our [Local Innovation Plan](#) Greater Manchester set out its aims to be a leader of the fourth industrial revolution, known globally for the strength of its innovation ecosystem, harnessing the power of business, universities, and local government to drive productivity and create good quality jobs across all parts of our city-region. The priorities in the Greater Manchester Innovation Plan are:
 - Bringing forward new innovation assets and programmes to bridge gaps in commercialisation for our priority industries and clusters. We will capitalise on market opportunities through our nationally significant and distinctive assets, ensuring that high quality technology is available across all stages of a business's innovation journey.

- Coordinating national and local investment decisions to maximise their impact, increasing cross-sector investment in innovation so that by 2030 every £1 of extra public investment made in research and development in Greater Manchester will generate an additional £2.40 of investment by businesses in research and development.
 - Building a connected innovation ecosystem and a cohesive system of support with simpler access points that respond to the barriers our businesses face when adopting innovation.
 - Driving national and regional growth through productive collaborations across the North and UK by bringing together complementary innovation ecosystems to create an accessible and easily navigable network across the country.
 - Promote Greater Manchester as a globally significant Science and Innovation Superpower on a par with the UK Golden Triangle, Silicon Valley, Boston-MIT and Tel-Aviv.
7. These priorities have been carried through into our Local Growth Plan, which sets out how we will bring to bear GM's whole system to drive inclusive and innovation-led growth.
8. For the past 3 years, our innovation priorities have been supported by the pioneering Innovation Accelerator Pilot. This originated in the Levelling Up White Paper (2022), which announced Greater Manchester would be one of three Innovation Accelerator pilots with Glasgow and the West Midlands. Pilot areas were allocated investment of up to £43 million - managed by Innovate UK - to support place-based innovation activity. GM has a portfolio of 10 projects currently in delivery under this funding model.
9. Following the success of the Innovation Accelerator Pilot Programme (IAPP), the English Devolution White Paper made a clear commitment to working with local leaders to "strengthen local innovation ecosystems" through focusing on R&D and innovation as a key factor in creating highly productive local economies and ensuring that citizens benefit from innovation-led growth. Spending Review 2025 subsequently announced the Local Innovation Partnerships Fund (LIPF) – to be managed by UK Research and Innovation (UKRI) - to continue investment in place-based innovation activity from April 2026, aimed at unlocking regional economic growth.¹

¹ At the time of writing, the LIPF business case is subject to approval by HM Treasury and information on the LIPF is subject to change.

10. The LIPF is not devolved funding to the city-region. It is not part of our Integrated Settlement and UKRI remain the fundholder and will set national criteria and guidance that will pre-determine how it can be allocated and deployed. But GM's approach to the funding will be designed in the context of our broader pipeline and strategy for investment. It is one of the funding sources that the city-region can bring to bear to deliver the ambitions for a thriving city region, with strong, innovation-led economic growth, and where everyone can live a good life.
11. Allocation of the LIPF should be aligned to and considered a national funding source that supports our Integrated Pipeline, through which we will be able to support the innovation process spatially, from lab to market. Create the kind of spaces that other innovation clusters lack – from innovation districts like the Oxford Road Corridor and Crescent Salford to larger sites like Atom Valley, the North West's largest development site focused on high-value manufacturing and research and development, and the Health Innovation Campus in the Wigan and Bolton Growth Corridor.
12. This report sets out:
- Our current understanding of the LIPF based on the Initial Guidance Document and Further Guidance produced by UKRI, as well as ongoing engagement with UKRI and the Department for Science, Innovation and Technology (DSIT), and
 - How Greater Manchester's approach to allocating the funding will be developed, including the roles of different bodies.

2. The Local Innovation Partnerships Fund²

2.1. Overview

13. The LIPF is a new national UKRI-led programme with a total national investment of up to £500 million between April 2026 and March 2031. The fund aims to “harness high-potential innovation clusters to drive economic growth, deliver impact at scale and build long-lasting innovation capacity in regions across the UK.”
14. Each of the seven Established Mayoral Strategic Authority areas in England, including Greater Manchester, will receive an earmarked capital investment. As an Innovation Accelerator Pilot region, Greater Manchester will receive an investment of at least £50

² Additional information on LIPF, the funds requirements and the readiness check is provided in the [LIPF Initial Guidance Document](#), published by UKRI in July 2025, and the [LIPF Further Guidance](#), published by UKRI in October 2025.

million. This ‘Earmarked’ funding is awarded to places with established governance and collaboration structures, the ability to leverage devolved powers and other funding streams around the LIPF, and greater absorptive capacity for innovation funding, enabling them to achieve a higher level of impact.

2.2. Governance of the LIPF

15. UKRI’s ‘Further Guidance’, published in October 2025, sets out the required governance model for the LIPF, which requires each area to put in place a Triple Helix Partnership, such as a local innovation board, to work in collaboration with UKRI and DSIT to co-design the fund in their place. The Triple Helix model brings together civic institutions, universities and the private sector to collaborate to create the conditions for innovation-led growth and capitalise on opportunity in places. Greater Manchester has an established Triple Helix Partnership in the form of the Innovation Greater Manchester Board (IGM), which fulfilled this function during the Innovation Accelerator Pilot Programme. IGM will continue to fulfil this role for the LIPF, and Annex A provides further information on IGM.
16. The Further Guidance states that the LIPF “invites places, through their local partnerships, to put forward propositions which enable existing established clusters to scale and deepen their impact, and/or support the growth and maturing of emerging clusters which have significant potential to generate economic value.” It states there should be significant focus on clusters that are internationally competitive, with the greatest potential to build critical mass, and capable of delivering a £3:1 private to public co-investment ratio.³ GM has a well-established and evidence-based approach to frontier sector development that will drive the approach to the LIPF.

2.3. Roles and Responsibilities

17. **UKRI** – working with DSIT, UKRI have the primary responsibility of administering the LIPF, including shaping the overarching objectives, requirements and governance model of the fund. UKRI will work with each place, providing expertise, support and oversight for the development of the LIPF locally, whilst ensuring alignment with national priorities. Further detail on UKRI’s co-creation offer is set out in section 4 of

³ Further detail on the funding criteria and eligibility requirements are set out in sections 2 and 3 of UKRI’s Further Guidance.

the Further Guidance: [UKRI-031025-LIPF-Further-Guidance-Document-FINAL-251003.pdf](#).

18. In practical terms, UKRI will:

- Provide dedicated support to the Triple Helix Partnership in each area to scope and design the LIPF.
- Identify assessors and manage the review of each area's Readiness Check.
- Support the Triple Helix Partnership in each area to develop a portfolio of projects, and convene independent expert panels to provide quality assurance.
- Administer funding to successful projects, either directly or through an identified 'local anchor entity'.
- Monitor and manage the successful and compliant delivery of local portfolios nationally.

19. **Innovation Greater Manchester (as GM's Triple Helix Partnership)** – As set out in UKRI's Further Guidance, Triple Helix Partnerships are required to collectively (rather than individual ESMAs or universities) engage with UKRI in the co-design and allocation of the LIPF in each place. These Partnerships will have significant responsibility for determining how funding is allocated at a local level, developing "a compelling portfolio of activities that support the growth of high-potential innovation clusters" that meet the funding requirements set out by UKRI.

20. As Greater Manchester's established Triple Helix Partnership, IGM will be required to:

- Work collectively (including with UKRI) to determine the scope of the LIPF in Greater Manchester, including the prioritisation of GM's innovation clusters.
- Demonstrate that structures are in place to ensure effective, transparent and fair decision-making aligned to local innovation priorities.
- Develop a process for identifying a portfolio of fundable activities that support said priorities, and meet UKRI's requirements for the LIPF.
- Agree a portfolio of projects to be funded and the associated quantum to be awarded to each, for recommendation to UKRI.
- Identify a 'Lead Bidder'⁴ from within the Partnership to:
 - Convene and co-ordinate on its behalf;

⁴ The 'Lead Bidder' will be entitled to up to £300,000 in operational expenditure funding to support this role, from within the overall award envelope for each place. The decision to access this funding will be taken by IGM, in consultation with the Lead Bidder.

- Formally submit the required Readiness Check, ensuring it reflects the local innovation strategy, the collective ambition and capabilities of the region, and responds to all the criteria, and
- Manage the project portfolio process, oversee the portfolio development and prioritisation processes, and submit the portfolio to UKRI.

21. **GMCA** – As set out in Annex B, GMCA is represented on the Innovation Greater Manchester Board (IGM) and will play an active role in fulfilling IGM's responsibilities (above). Subject to the decisions to be taken by IGM, the GMCA may also act as 'Lead Bidder' on behalf of IGM, fulfilling the responsibilities set out above. This reflects GMCA's capability to manage such projects, as well as its unique convening position, given its wider influence on strategy and policy development and other levers, such as the Integrated Settlement and Investment Pipeline.

22. Subject to the decisions taken by IGM, in addition to its participation on the Board through the identified representatives and acting as Lead Bidder, GMCA's responsibilities –may also include:

- Final decision-making on the process to allocate the LIPF, and the final portfolio of interventions to be recommended to UKRI, and that this meets national and local priorities as determined by IGM (as per the delegations in Recommendation 3).
- Where applicable, to accept and award grants to successful local projects, in the role of a 'local anchor entity'⁵, on behalf of UKRI and IGM (as per Recommendation 3).

23. As set out in Annex C, the GMCA taking on the role of Lead Bidder and final decision-making responsibilities (as set out in the Recommendations) provides democratic oversight and is a key part of the Partnership's management of conflicts of interest which may arise from the Triple Helix Partnership governance model.

3. Next Steps

24. The Innovation Greater Manchester Board (IGM) will work in collaboration with UKRI to co-design the LIPF in Greater Manchester, including in determining the scope of the fund and identifying GM's priority innovation clusters.

⁵ Local anchor entities will be eligible to receive a capped contribution towards operational delivery costs taken from that place's award. The decision to access this funding will be taken by IGM, in consultation with the local anchor entity.

25. Through an agreed 'Lead Bidder', IGM will respond to the required Readiness Check, which demonstrates readiness across four themes⁶. This Readiness Check will be assessed by UKRI.
26. IGM will agree the process for allocating the LIPF to projects across the prioritised clusters, which may include a combination of competed and direct awards.
27. IGM will agree a portfolio of projects to be funded and the associated quantum to be awarded to each, for recommendation to UKRI and consideration as part of the national quality assurance process.
28. Subject to decisions taken by IGM, as set out in section 2.3, GMCA may have further decision-making responsibilities on behalf of IGM, on the process of allocating the LIPF and the selection of projects and quantum of allocation, to be recommended to UKRI (as per Recommendation 3), and submission of the portfolio as 'Lead Bidder'.

⁶ Strategic vision and priority clusters; innovation strength and opportunity; governance and leadership, and operational capability. More information on the Readiness Check is provided in UKRI's LIPF Additional Guidance.

Annex A: Innovation Greater Manchester

29. The Innovation Greater Manchester Board (IGM) has existed since 2020 to create a stronger, greener and more inclusive innovation ecosystem in Greater Manchester, through a partnership that combines the power of businesses, universities, and local government to drive up productivity through collaboration, research and innovation.
30. IGM's core role is to offer advice, guidance and leadership on the development of GM's innovation ecosystem by providing:
- Intelligence, evidence and knowledge;
 - Vision, promotion and persuasion, and
 - Strategy and planning.
31. As part of its strategy and planning function, IGM's role includes advising on the design of publicly-funded innovation programmes and the prioritisation of projects. IGM undertook this role successfully during the Innovation Accelerator Pilot Programme and will fulfil the role again for the Local Innovation Partnership Fund.
32. The Innovation Greater Manchester Board's membership is drawn from the public⁷, academic⁸ and private sectors⁹, and an independent Chair.
33. Following the recent appointment of Andrew Hodgson as the independent, private sector chair and David Levene as IGM's Director, a full review of membership is currently being conducted. The current list of IGM Board Members is included at Annexe B.
34. As the public sector strand of the Triple Helix Partnership, GMCA is represented¹⁰ by:
- Caroline Simpson, Group Chief Executive
 - Cllr Bev Craig, Portfolio Lead for Economy, Business and Inclusive Growth
 - Tom Stannard, Portfolio Lead Chief Executive for Economy, Business and Inclusive Growth, and
 - Sara Todd, Portfolio Lead Chief Executive for Education, Work and Skills

⁷ GMCA Chief Executive, Portfolio Lead and Portfolio Lead Chief Executive for Economy, Business and Inclusive Growth, and the Portfolio Lead Chief Executive for Education, Work and Skills.

⁸ Vice Chancellors of 3 Leading GM Research Universities and Independent Scientific Advisor.

⁹ Independent Chair and Senior Representatives of GM's 4 frontier sectors.

¹⁰ The representatives of GMCA on IGM are based on their positions, and so the individual members are subject to change.

35. These representatives of the GMCA, as members of IGM, will participate fully in the Board's discussions and decisions on the elements of the co-design and allocation of the LIPF for which IGM is responsible, as set out in section 2.3.

Annex B: IGM Board Membership

Board Member	Title
Andrew Hodgson - Chair	Portfolio Chair
Professor Nick Beech – Co-Deputy Chair	Vice Chancellor, University of Salford
Lou Cordwell - Co-Deputy Chair – Resigned October 2025	Chair, GM Business Board
Cllr Bev Craig	GMCA Deputy Mayor for the GMCA Economy, Business and Inclusive Growth portfolio, and Leader of Manchester City Council
Dr. Mike Murray	Chief Innovation Officer, Vita Group and Chair of Graphene Advanced Materials and Manufacturing Alliance
Peter Emery	Chair, Energy Innovation Agency
Victoria Knight	Strategic Business Director, BAE Systems Digital Intelligence, and Co-Chair GM Cyber Advisory Group.
Professor Duncan Ivison	President and Vice-Chancellor, University of Manchester
Professor Malcolm Press	Vice Chancellor, Manchester Metropolitan University
Chris Oglesby	Chief Executive, Bruntwood, and Member of GM Business Board
Professor Richard Jones – Retired September 2025	Innovation Greater Manchester Independent Science Advisor, Vice-President for Innovation and Civic Engagement, University of Manchester
Caroline Simpson	Group Chief Executive, Greater Manchester Combined Authority
Sara Todd	Chief Executive Lead for the GMCA Work and Skills portfolio and Chief Executive, Trafford Council
Tom Stannard	Chief Executive Lead for the GMCA Economy, Business and Inclusive Growth portfolio and Chief Executive, Manchester City Council

Annex C: Managing Conflicts of Interest

36. Due to the Triple Helix nature and membership of the Innovation Greater Manchester Board (IGM), which enables it to operate as GM's local innovation partnership and provide the private and academic sector input required for the LIPF governance process, conflicts of interest may arise.
37. For IGM to be credible when fulfilling its duties, it requires the membership of Greater Manchester's innovation-intensive universities and representatives of innovation-active businesses, who, as key elements of GM's innovation ecosystem, are likely to be involved in the interventions to be funded under the LIPF. This unavoidable position was recognised in the process of determining the scope of, and allocating the funding for, the IAPP. It is proposed this same approach is taken for the LIPF.

3.1. IGM Board Member Conflicts of Interest

38. A register of IGM Board members interests is maintained by the GMCA and updated at every Board meeting. This is available on request.

3.1.1. Scope Design

39. IGM will be responsible for determining the scope of the LIPF in Greater Manchester and the prioritisation of GM's innovation clusters for investment, based on their expertise and knowledge of the GM innovation ecosystem and economy and informed by the evidence base established for the GM Local Industrial Strategy and GM Sector Development Plans.
40. The cluster selection will be put forward to UKRI as part of the required Readiness Check for assessment, and will be supported by a robust body of evidence to justify their selection for Greater Manchester.

3.1.2. Intervention Selection and Funding Allocation

41. As organisations represented as members of IGM will be able to act as Leads or Partners for projects seeking funding through LIPF, the following process (developed for the Innovation Accelerator) will be applied, subject to the final process for creating the portfolio and allocating the funding that is agreed by IGM and with UKRI:
- For any local quality assurance required, an independent consultant will be engaged to score proposal against locally set criteria, and in consultation with UKRI.

- Should a process of direct commissioning, competitive dialogue or direct award be used for selection and allocation, only non-conflicted members of the Board will be selected to sit on the panel which carries out any negotiation or evaluation of proposals.
- Any members of IGM conflicted by their organisation's participation in the development of proposals under consideration will only be permitted to submit expert comment on proposals.
- The final decision on the process of allocating the LIPF and the selection of projects and quantum of allocations, to be recommended to UKRI, will be undertaken by a panel of non-conflicted members of IGM and in the presence of observers from UKRI and DSIT.
- Following the final decision on recommendations by the IGM Board, the GMCA (as Lead Bidder) would be responsible for final decision-making on the process of allocating the LIPF and the selection of projects and quantum of allocation, to be recommended to UKRI (as per Recommendation 3).