

Local Industrial Decarbonisation Plan (LIDP) Competition

Frequently Asked Questions

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Funding and Eligibility

<i>Will costs be fully funded or only up to a certain percentage?</i>
<p>This is dependent on organisation size and type. Large Organisations can receive up to 50%, Medium organisations 60% and small organisations 70%. Charities and public sector bodies could receive 100%.</p> <p>Further information on eligible costs can be found in IUK's guidance for applicants https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/</p>
<i>Are there any requirements for match funding, and if so, what are they?</i>
<p>Every project partner is funded separately and match funding is dependent on organisation size and type as detailed above.</p> <p>Academics / research organisation do not need to provide match funding (providing the organisation is on the Innovate UK list as a qualifying research organisation).</p>
<i>What can the grant funding be used for? What costs are eligible for support under the project funding, both internal (staff time) and external (consultancy)?</i>
<p>Information on eligible costs can be found in IUK's guidance for applicants https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/</p>
<i>What funding is anticipated to be available for the implementation of the decarbonisation plans from January 2025?</i>
<p>Currently, there are no updates regarding future funding available beyond the end of the funding period (March 2025). However, Government is providing a range of funding opportunities to support deployment of industrial decarbonisation technologies. For example, the British Energy Security Strategy announced that by 2025 we will design new business models for hydrogen transport and storage infrastructure. They have also announced a £185 million uplift for Phase 3 of the IETF, bringing the total allocation to the IETF to £500m across all phases. They intend to open Phase 3 of the IETF for new applications in early 2024.</p>
<i>Will each project partner have different match funding levels depending on their size?</i>
<p>Yes, funding is dependent on organisation size / type</p>
<i>Is the intention of the funding to support identification of solutions, or should it also include deployment?</i>
<p>Yes. The funding is to support identification of solutions, including a clear route to implement decarbonisation of your local cluster.</p> <p>For clarity, the funding is not to support deployment of the place-based decarbonisation plans.</p>

Will there be any other funding available to support the unsuccessful bids to decarbonise?

Currently, there are no updates regarding additional funding to be made available for unsuccessful bids beyond the end of the funding period (March 2025). However, Government is providing a range of funding opportunities to support deployment of industrial decarbonisation technologies. For example, the British Energy Security Strategy announced that by 2025 we will design new business models for hydrogen transport and storage infrastructure. They have also announced a £185 million uplift for Phase 3 of the IETF, bringing the total allocation to the IETF to £500m across all phases. They intend to open Phase 3 of the IETF for new applications in early 2024.

What will be considered a successful project? And how will this be measured for example Is there a minimum limit of CO2 saved?

A successful project will demonstrate effective cooperation and coordination among stakeholders at the local level, highlighting the benefits of the cluster, such as reductions in GHG emissions. Projects should also consider broader societal benefits, including impacts on health, social, economic, and environmental factors. While all emissions will be considered, the primary focus will be on scope 1 and 2 emissions. Please note that there is no specific emissions reduction target required as part of the project.

The project will set the foundation and deliver on the goals established during the implementation stage.

Collaboration and Partnerships

Is there a limit to the number of applications that an organisation can submit?

Our current thinking is outlined below, however, we will review our position based on feedback received over the course of the upcoming events.

A business, research, and technology organisation (RTO), charity, not for profit or public sector organisation can lead on one application and can be included as a collaborator in a further 2 applications. If an organisation is not leading an application, it can collaborate in up to two applications.

What stakeholders must be engaged with as a prerequisite to a successful bid?

We encourage as much engagement with a variety of stakeholders likely to be involved with the local cluster. It is unlikely we will set parameters around who you must have engaged with to be successful in your application, but we would highly encourage engagement with a broad range of stakeholders.

What organisations can be project lead and/or collaborator?

To lead a project, the applicant / organisation must be:

- A UK registered business of any size
- Research organisation
- Public sector organisation
- Charity
- Not for profit

To collaborate with the lead your organisation must be:

- As above, plus academic institutions

N.B. Local Authorities are categorised as research participants for the purpose of this funding.

How do potential applicants find partners or build a cluster?

As part of the competition, there are UK-wide collaboration workshops being held to bring together regions, sectors, and organisations that share common interests, with the aim of identifying potential partner organisations. These workshops will serve as a platform for building initial relationships and facilitating conversations, which we hope will lead to the development of joint local industrial cluster applications for the competition.

Online workshop dates are as follows:

- 25th April 2023, 14.00 – 17.00
- 3rd May 2023, 10.00 – 13.00
- 18th May 2023, 14.00 – 17.00

To register, follow this link: <https://iuk.ktn-uk.org/events/local-industrial-decarbonisation-plans-collaboration-building-workshops/>

Are there any limitations to the type of collaborations that can receive funding?

The focus of the competition is on industrial decarbonisation within a local area/cluster, therefore, we would encourage collaborations to involve industrial emitters, but also a broad spectrum of other stakeholders e.g. local authorities, academics, charities, research organisations etc.

The current intention is for plans that are primarily focused on industry, but which can show synergies with decarbonisation of other sectors will likely be accepted.

It is also the intention that the funding will support groups of industrial emitters located outside of the existing industrial clusters, that formed as part of the Industrial Decarbonisation Challenge. [Industrial decarbonisation – UKRI](#)

How might any overlapping but separate applications be considered?

All submissions would be considered against the scope and eligibility criteria set out in the competition brief, and the applicants responses to the application questions.

However, we would encourage attendance at the collaboration workshops, which offer interested organisations an excellent opportunity to convene and discuss project ideas, identify mutual interests and potential partners and build relationships. These forums provide a platform for networking and sharing initial ideas that can help inform the development of joint applications.

Please note that during the application process, we will be unable to share other applications document due to potential conflicts of interest.

What will the competition entail, and are there any specific requirements for the proposal, such as word count or budget breakdown?

The competition will be launched via the [Innovation Funding Service](#) and IUK [Funding Finder](#) and will follow the standard Innovate UK competition process, which includes a set of application questions outlined in a competition brief.

The competition brief will provide you with the requirements needed to submit an application. Inputs could include; project deliverables, risk, knowledge sharing, commercial elements, scope, organisational structure, finance etc. Applicants will need to respond to the questions, which usually set a word and attachment limit. The submission will be assessed by independent assessors and will need to reach a quality threshold to be eligible for project selection.

For further information on how UKRI assesses applications, please see here:

<https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/general-guidance/what-happens-after-you-have-submitted-your-application/#:~:text=Applications%20are%20assessed%20against%20the,will%20form%20your%20application%20feedback.>

Industrial Clusters

Why have you excluded FEED works?

We recognise that many local clusters are in their early stages of development, or are just forming, and are therefore not at this stage of maturity. The £5million of funding available is focused on the development of strategic industrial decarbonisation plans, not deployment or advanced engineering studies.

What is the geographical scope of the funding?

The funding will be available to projects across the whole of the UK, including England, Northern Ireland, Scotland and Wales.

How is an industrial cluster defined?

There are no set parameters defining a local industrial cluster, it is expected that applicants will have the opportunity to determine the appropriate geographic area during the competition process. We encourage applicants to articulate in their submission why a specific area should be considered for funding with a credible narrative.

What are the existing industrial clusters and where are they located?

Existing industrial clusters refer to those funded through the [Industrial Decarbonisation Challenge](#).

However, plans that do not duplicate area coverage of IDC Clusters, but which can show how their plans will connect to IDC Cluster Plans are likely to be accepted.

What is the scale of a cluster in terms of geography and number of businesses?

While there are no set parameters for defining the scale of a cluster, this will be up to the applicants to determine, we anticipate that each cluster will have involvement from a broad range of stakeholders.

Our expectation is to fund a range of local clusters from around the UK, of varying sizes and shapes. It is up to applicants to present the best possible case for their local cluster within the parameters of the competition guidelines.

Can a new cluster include a diverse portfolio of decarbonisation solutions and support multiple industrial sectors?

Multiple industrial sectors can collaborate, and is encouraged.

In addition, while applications for funding should primarily address the decarbonisation of industry, applications that can evidence why other non-industry sectors should be included in their local decarbonisation plans may be considered for funding through this competition.

On the structure of the cluster - do you expect this to be a legal entity, e.g., something that could be fundable?

A cluster will need to sign a collaboration agreement if successful, but it does not need to be a legal entity.

However, the outcome of the local cluster plan may be that a legal entity is formed to implement the plan. Although this again is not a requirement.

How are IDC areas defined?

The successful projects funded through the Industrial Decarbonisation Challenge can be found here [Industrial Decarbonisation Challenge](#)

Is all of a particular region considered an industrial cluster, and can applications be made if they don't overlap with existing clusters?

We won't be considering projects that have been funded through the Industrial Decarbonisation Challenge (IDC), however plans that show how they connect to an IDC cluster will be considered.

What is the definition of "industrial," and what types of projects are within the scope of the funding?

The LIDP is primarily focused on decarbonising industrial processes, although if a proposal can show synergies with other sectors they are likely to be accepted. We will continue to consider how industry may be defined.

Can an application encompass all existing mini-clusters or focus on just one?

Our expectation is to fund a range of local clusters from around the UK, of varying sizes and shapes. It is up to applicants to present the best possible case for their local cluster within the parameters of the competition guidelines.

We would encourage participation in the upcoming collaboration building workshops.

Online workshop dates are as follows:

- 25th April 2023, 14.00 – 17.00
- 3rd May 2023, 10.00 – 13.00
- 18th May 2023, 14.00 – 17.00

To register, follow this link: <https://iuk.ktn-uk.org/events/local-industrial-decarbonisation-plans-collaboration-building-workshops/>