

# Welcome to Innovate Local West Midlands

12<sup>th</sup> March 2024

BCIMO, Dudley

#InnovateLocal



# Agenda

Timing	Topic
9.40-10.00	Innovation in the West Midlands
10.00-10.20	Keynote: Skills to Innovate
10.20-11.00	Panel: Business Innovation Journey
<i>11.00-11.30</i>	<i>Networking Break</i>
11.30-12.00	Keynote: Going Beyond Grants
12.00-12.45	Surgery Session: Meet the Expert
<i>12.45-14.00</i>	<i>Networking Lunch</i>

# Housekeeping

Fire safety – NO alarm planned

Smoking – NO smoking or vaping

Toilets – Disabled, Female, Male & Unisex

Parking – need a TOKEN

Catering – served in the exhibition hall

Private space – available if required

Photography – let us know if you DON'T want to be included

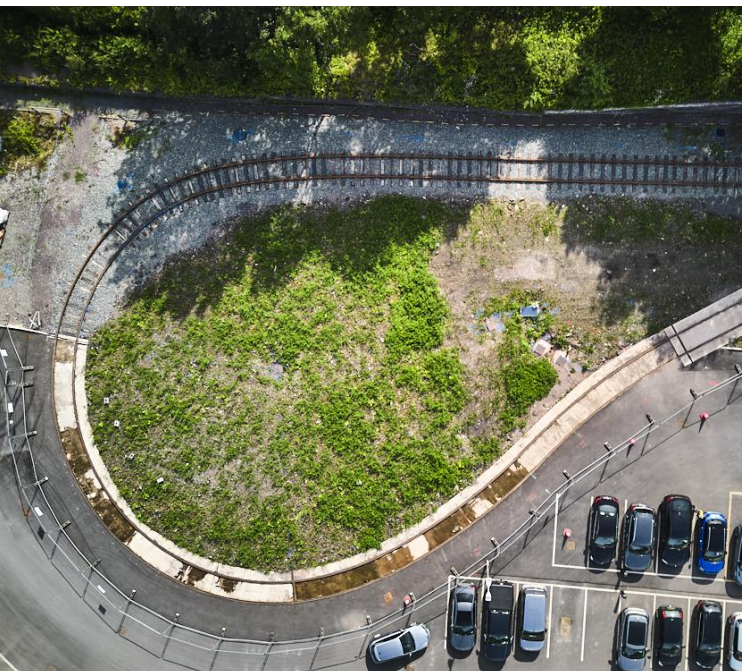




# Introduction to BCIMO

## Neil Fulton - CEO



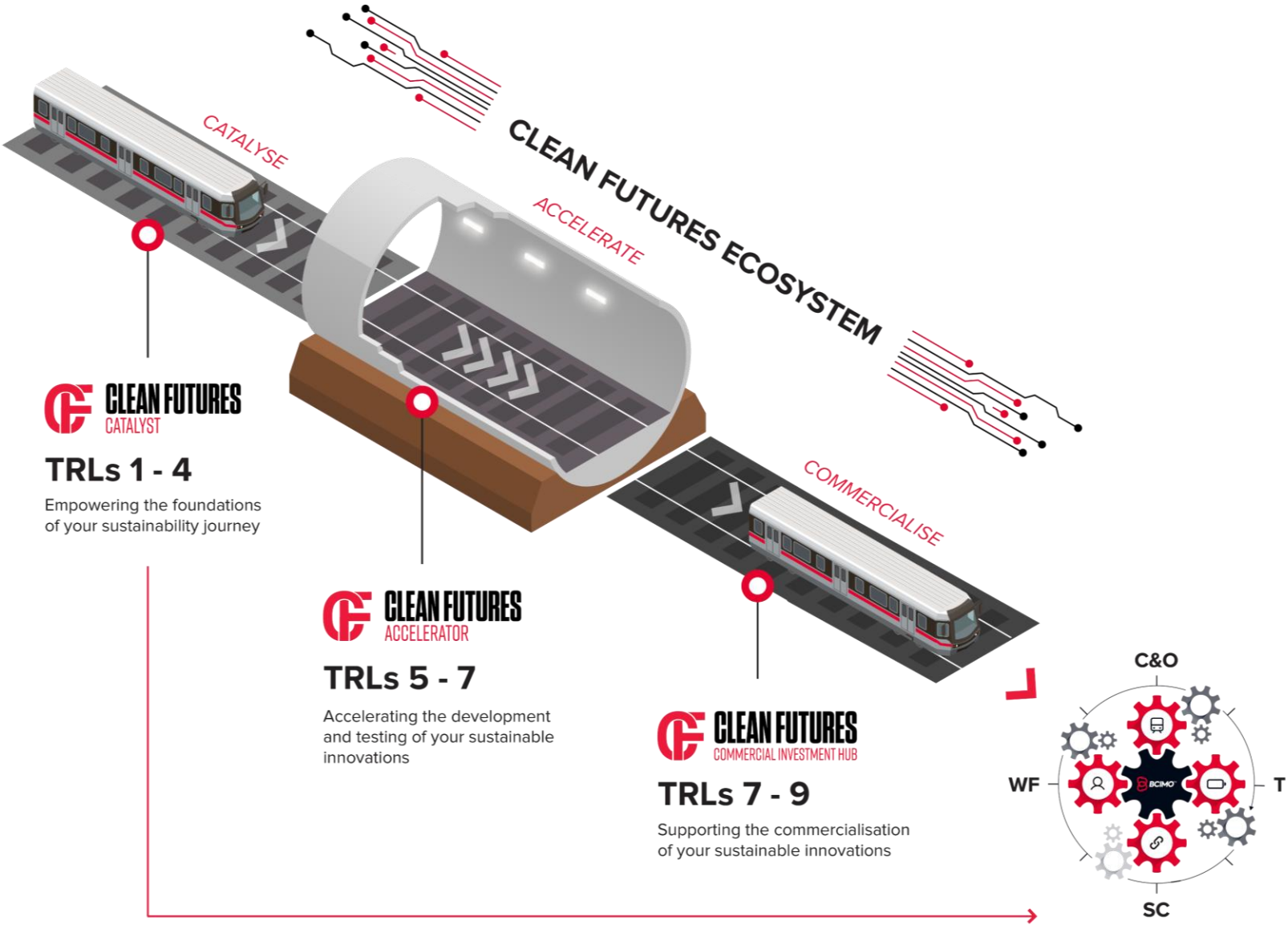




*Supporting the West Midlands' transport sector to be at the heart of the green industrial revolution*

# TECHNOLOGIES OF THE FUTURE CLEAN FUTURES

- Clean Futures programme activities map against Technology Readiness Levels (TRLs)
  - Catalyst (1-4)
  - Accelerator (5-7)
  - Commercial Investment Hub (7-9)






# THANK YOU



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# Innovating in the West Midlands

Tag line



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# Welcoming



**Mike Wright**

Chair of West  
Midlands Innovation  
Board



**Ian McLaughlan**

Head of Business  
Growth West  
Midlands



**Steve Welch**

Director (Place, Skills  
& Knowledge  
Transfer), Innovate UK  
Business Connect



# Skills to Innovate

Corin Crane, CEO of Coventry & Warks Chamber, former CEO of the Black Country Chamber, and West Midlands lead for Skills Improvement Plans

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# Lessons learned on the business innovation journey

Panel discussion chaired by Pam Waddell OBE

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# Networking Break

11.00-11.30

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# Going Beyond Grants

Nigel Walker, Deputy Director of Lending & Investor  
Partnerships at Innovate UK

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# Innovate UK

Overview

Investor Partnerships

Innovation Loans

Nigel Walker, Deputy Director Lending & Investor Partnerships



# Innovate UK

- We are the UK's innovation agency
- We support business-led innovation in all sectors, technologies and UK regions
- A key delivery body of the Government's Innovation Strategy

## Our Mission

To help UK businesses grow through the development and commercialisation of new products, processes, and services, supported by an outstanding innovation ecosystem that is agile, inclusive, and easy to navigate.





# Our Priorities

## Strategic Themes



Future  
Economy



Growth  
at Scale



Global  
Opportunities



Innovation  
Ecosystem



Government  
Levers

## Strong Foundations



Science &  
Research  
Strengths



Design  
Expertise



Societal Impact  
& Responsible  
Innovation



Innovation  
Talent & Skills



Equality  
Diversity &  
Inclusion



Place &  
Levelling Up



# Strategic Theme

# Future Economy



- The future economy will be very different as we improve the quality of life for all, protect the environment and conserve Earth's resources
- To help UK business realise the opportunities, we will deliver ambitious and purpose-driven programmes in 4 areas:



## Net Zero

Innovations in energy, transport, agriculture, buildings, manufacturing and more



## Health & Wellbeing

Innovation in diagnostics, medicines and novel therapies, connected health, diet and more



## Technologies

Developing 7 technology families to help solve the world's biggest problems and grow the UK economy



## Foresight

Horizon scanning to enable an agile and intelligent respond to disruptive, emerging technologies



# Strategic Theme

# Growth at Scale



- Growing, innovating businesses are key to a strong, sustainable, and competitive UK economy
- The UK ranks 3rd in the world for start-ups, but only 13th for scaling businesses
- We will strengthen our ability to help businesses to grow and scale. We will think beyond projects and novel products to increase focus on the company and its growth journey

## Global Market Access

Supporting SMEs to enter the supply chains of the future

## Prepare for Growth

Developing leadership and commercial skills, IP, business models, and use of standards

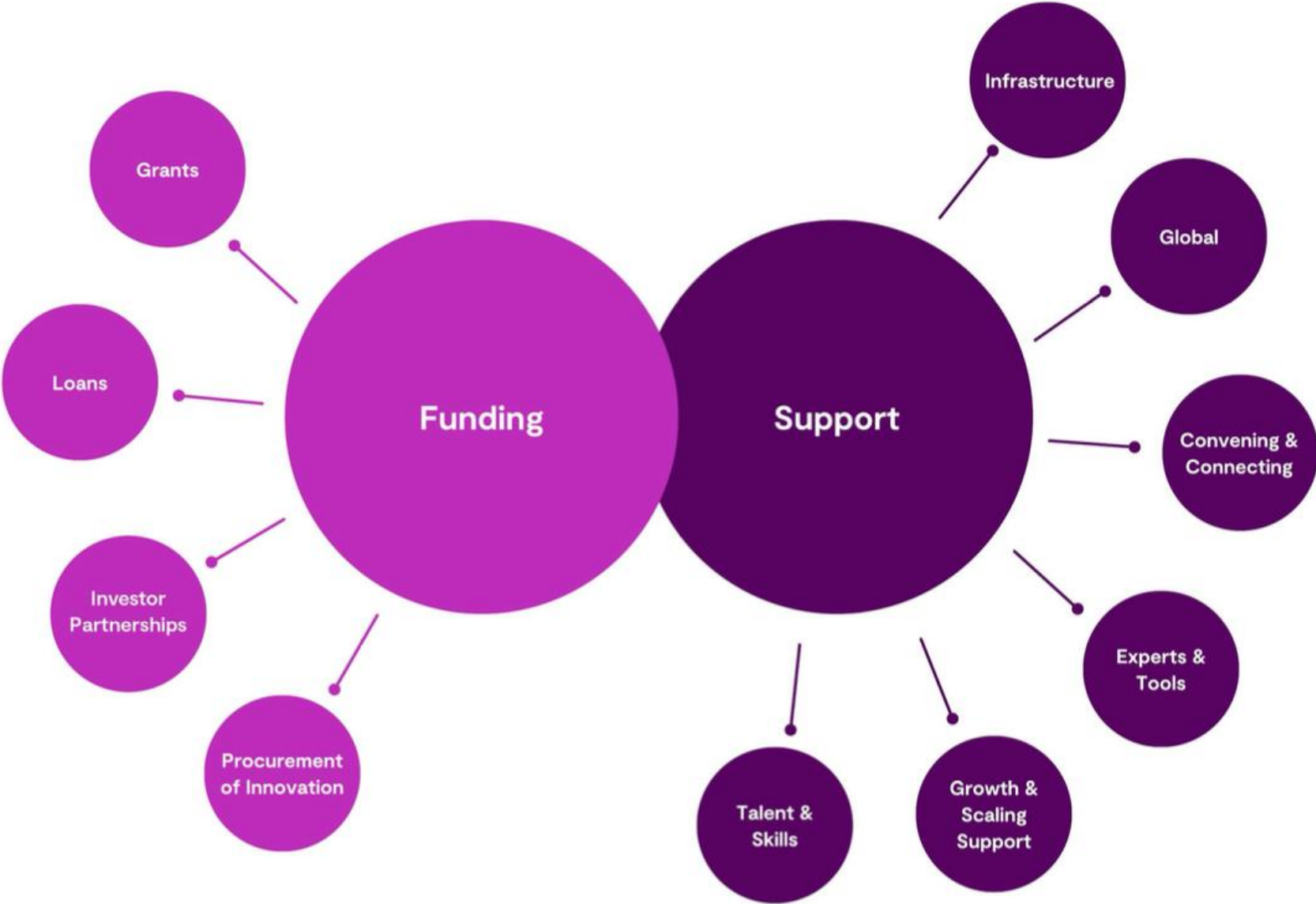
## Growth Capital and Resources

Increasing investment through Loans, Investor Partnerships, British Business Bank, etc.

## Innovate UK EDGE

Providing businesses with bespoke innovation and growth support services

# Innovate UK product & services portfolio



# Innovate UK Investor Partnerships

# Investor Partnerships: accelerating investment

## Addressing challenge of innovative SMEs that need:

- support for innovation and
- access to capital

## Bringing together:

- grant funding for innovative R&D projects in future economy areas
- aligned VC and Angel equity investment

## Delivering:

- accelerated investment and growth at scale through innovation

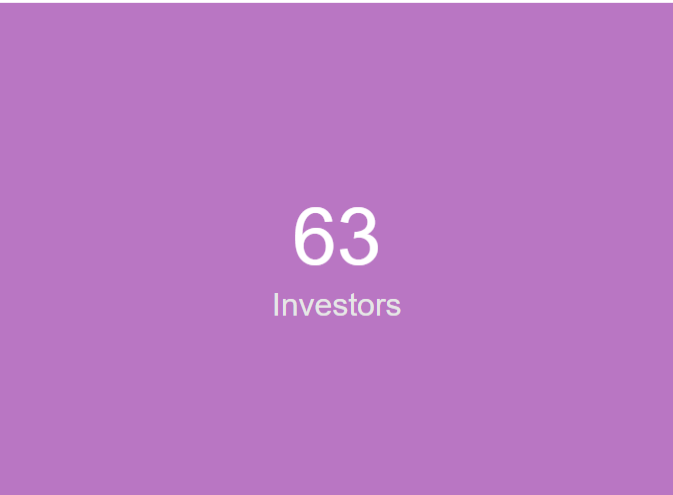
# Innovate UK Investor Partners

Demonstrating capacity for investment in innovative businesses with growth potential



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# Innovate UK Innovation Loans

# Innovation Loans



Helping businesses to access funding at all stages of innovation

- Late stage R&D
- Clear route to commercial success
- Innovative and growth orientated
- 'Scaling' rather than 'starting'
- Credit Constrained
- £150m programme over 3 years



**Single SME Applicants**

**7.4%**

**Below-market Interest rate**

Partial deferral during project period

**7 Years**

**Flexible & Patient**

Up to 7 years Availability, Extension and Repayment



**Up to 100% of Eligible Project Costs**



**Loan size  
£100k to £2m**

**Security**

- Debenture
- No personal guarantees

**Covenants**

- Liquidity ratio of 1.1X throughout loan
- Debt Service Coverage Ratio of 1.2X throughout repayment period

# Innovation Loan Structure

## Availability Period

### R&D Activity

Quarterly loan drawdowns in advance

Interest payable quarterly in arrears on amount borrowed

3.7% payable and 3.7% deferred to repayment period

Project monitoring by Monitoring Service Provider and Portfolio Team

Up to 3 years

## Extension Period

### Commercialisation Activity

No further drawdowns permitted

Ends on earlier of agreed date or first commercial sale from results of project

Interest payable quarterly in arrears on amount borrowed

3.7% payable and 3.7% deferred to repayment period

Project monitoring by Monitoring Service Provider and Portfolio Team

Up to 2 years

## Repayment Period

### Repayment of Capital and Interest

No further drawdowns permitted

Repayment of principal and interest as well as deferred interest

7.4% - quarterly payments

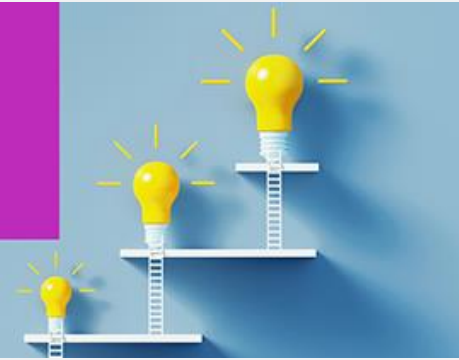
Monitoring by Portfolio Team

Up to 5 years



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# Innovation loans



## Innovation Loans Portfolio Overview

**255** loans  
**234** companies  
**£206m** committed  
**£184m** drawn

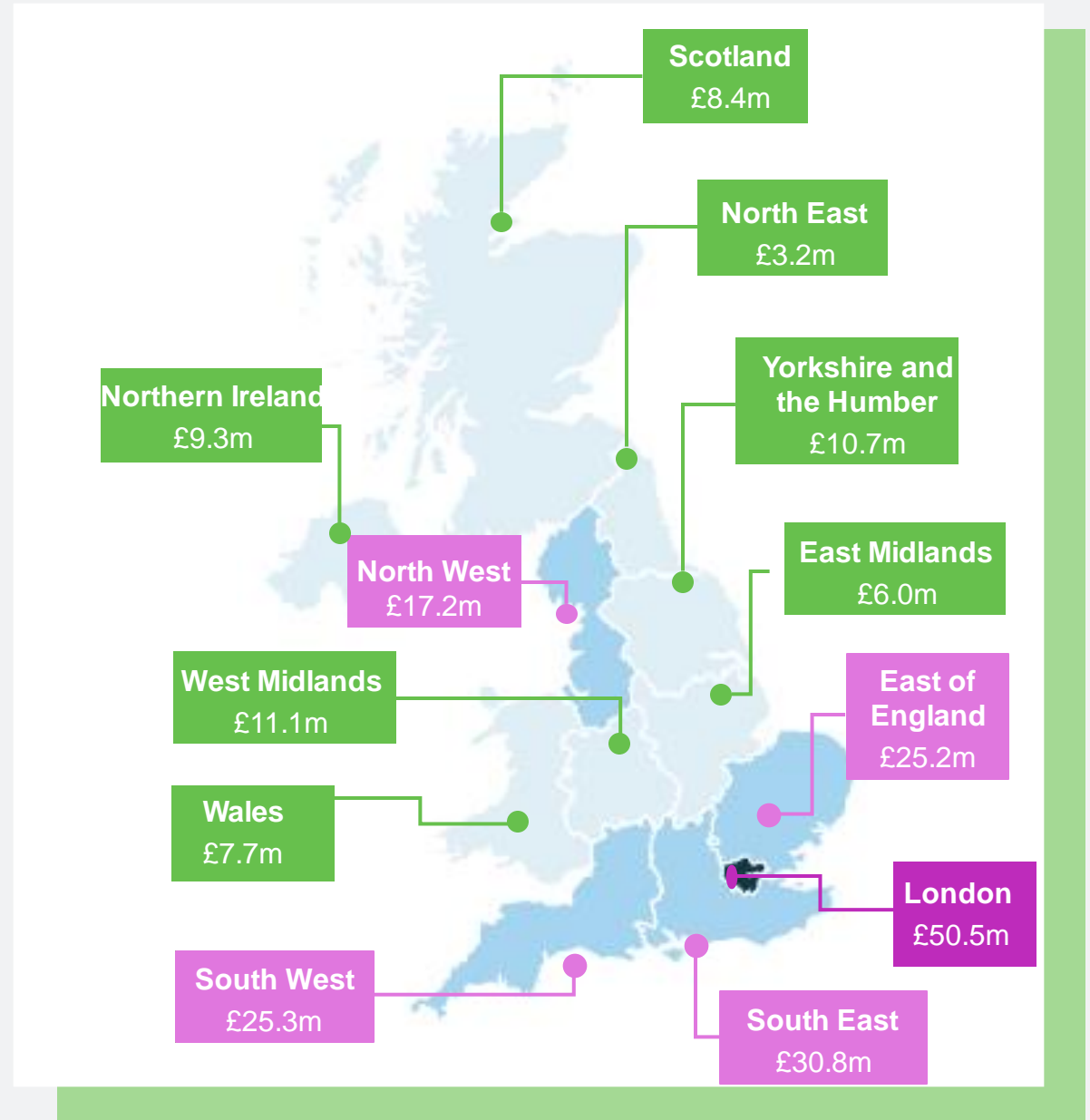
	<b>13</b> in Execution		<b>60</b> in Extension
	<b>45</b> in Availability		<b>123</b> in Repayment & <b>27</b> Exits



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UK

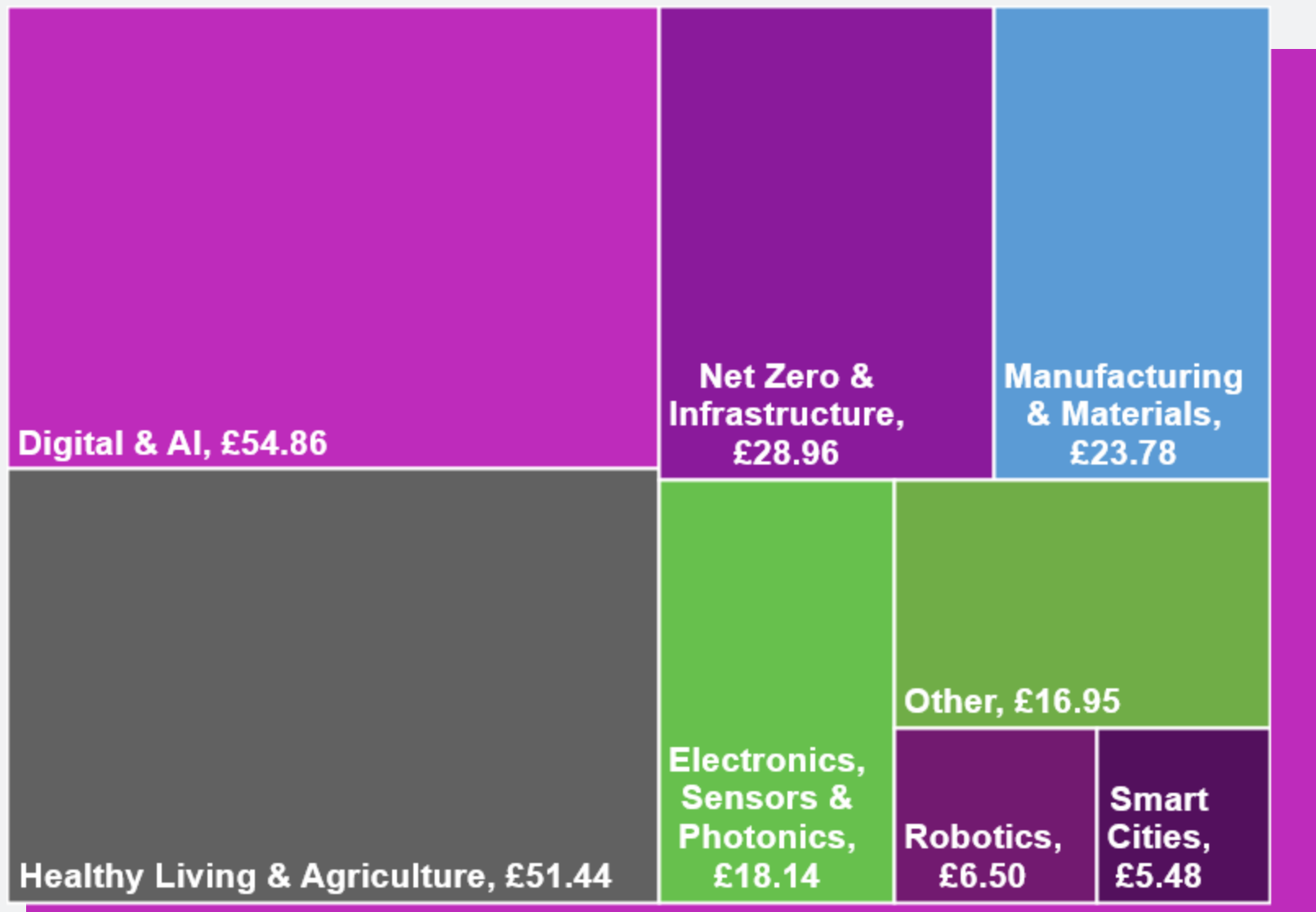
# Innovation loans

## Regional Portfolio Commitments



# Innovation loans

## Sector Portfolio Commitments



# Innovation Hub

A gateway to the UK's innovation ecosystem

<https://ukinnovationhub.ukri.org/>



The screenshot shows the homepage of the Innovation Hub website. At the top left, the text 'the innovation hub.' is displayed. At the top right, there is a 'Menu' icon. The main heading reads 'Turn your ideas into reality', with 'reality' in yellow. Below this, a sub-headline states: 'All public funding and support for innovation in one place, summarised and easy to find, to save you time and effort.' A search bar with the placeholder text 'Search for support and funding' and a magnifying glass icon is positioned below the sub-headline. A yellow arrow points from the search bar towards the right. Below the search bar, it says 'Powered by UKRI Innovate UK'. The bottom section features four service cards: 'Getting Started' (Support for the early stages of your innovation journey), 'Business Support' (Help to further your business and research endeavours), 'Finance & Funding' (Financial options to advance your innovation), and 'Growing & Scaling' (Expanding and scaling your innovative venture).



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# Thank you



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# Meet the Teams

1. Business Growth West Midlands – Catherine Bray
2. Innovate UK Business Growth – Rachel Cheetham
3. Innovate UK KTP – Steve Welch
4. Connected Places Catapult – Harriet Muscroft
5. High Value Manufacturing Catapult – Zoe Mobberley
6. Energy Systems Catapult - Summayyah Hussain
7. BEAS – Peter Grant
8. Create Growth Programme – Emma Cooper
9. Innovation Alliance – Iain Mansell
10. Battery Training for the Workforce - Pritti Shoker
11. Further Education Innovation Fund – Pat Carvalho



# Lunch & Networking

Until 14.00

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**Thank you  
for participating**

