



Innovate
UK



Forth Bridges.
Source: Scottish Enterprise

Edinburgh and South East Scotland City Region Innovation Action Plan



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Foreword

By Dr Stella Peace



Innovate UK is the UK's innovation agency. We drive UK growth through innovative businesses. Innovation is at the heart of our future economy, it enables high quality jobs, and fosters prosperity.

Innovation plays a vital role in protecting our planet and environment, improving healthy living for our societies, and accelerating the technologies of the future. These benefits are global, national, and crucial to the places where we live.

Place is a priority for Innovate UK, and we are committed to working with leaders across the UK to co-create innovation strategies that recognise the strengths and opportunities in their regions and nations.

In this context, I am pleased that we are launching this Regional Innovation Action Plan, which has been co-created with the Edinburgh and South East Scotland City Region and Scottish Enterprise.

This region of Scotland is rich with talent and creativity, and is home to nationally and internationally recognised innovation assets. These assets have already stimulated dynamic clusters across multiple sectors, from Life Sciences to Fintech.

This Action Plan provides a mechanism to harness the region's vibrant and exciting business base alongside its world-renowned universities, accelerating the application and commercialisation of cutting-edge research. The opportunity is to invest in impactful ideas that drive sustainable, inclusive growth and increase productivity.

Building on existing collaborations, Innovate UK is strengthening partnerships with a range of stakeholders across the Edinburgh and South East Scotland City Region. This Action Plan aligns with the innovation ambitions outlined in Scotland's National Innovation Strategy, the recently announced UK Government Green Paper on the Modern Industrial Strategy, and Regional Prosperity Frameworks.

I look forward to seeing the plans making progress and driving impact.

Dr Stella Peace

Interim Executive Chair, Innovate UK

Foreword By

Adrian Gillespie



Scottish Enterprise is focused on supporting Scotland's most ambitious companies.

These are the companies in Scotland with both the ambition and the capability to achieve a level of success that will have a significant, transformative effect on the Scottish economy.

Innovation plays a key role in unlocking this success. The Edinburgh and South East Scotland Region has been at the forefront of Scottish innovation excellence for over 300 years. That tradition continues as the region has established a reputation as the data capital of Europe.

The region boasts a vibrant tech community supported by strong research institutions and innovation hubs supported by Scottish Enterprise, such as the University of Edinburgh Bayes Centre and Informatics Forum, and Heriot-Watt University's National Robotarium.

Research specialisms in artificial intelligence, engineering biology, quantum and robotic technologies bring further opportunities and new innovations.

Building on a strong foundation as a global centre for Financial Services, it has more recently developed a dynamic growth cluster for fintech.

Existing capabilities in life sciences, advanced manufacturing and critical infrastructure are evident through the success of long-term projects like the Edinburgh BioQuarter, Green Freeports and more.

Scottish Enterprise has helped deliver the world-class innovation landscape across Edinburgh and the South East region through our targeted support to companies, attracting inward investment, and investment into innovation hubs and infrastructure.

There is much to build on as we implement this Innovation Action Plan. However, we cannot be complacent. Research excellence needs an environment where ideas and businesses flourish, with a supportive eco-system to support future growth.

Scottish Enterprise will work with our partners and stakeholders to fully maximise opportunities and embrace the region's strengths. We will also be an active investor and an international advocate for the region.

We look forward to helping to deliver this ambitious Edinburgh and South East Scotland City Region Innovation Action Plan.

Adrian Gillespie

Chief Executive, Scottish Enterprise

Foreword

By Cllr Jane Meagher



Edinburgh and South East Scotland stands at the forefront of Scotland's innovation economy. Our region combines world-leading universities, a dynamic tech sector, and thriving life sciences clusters with a rich heritage of enlightened thinking and discovery. From the data-driven revolution to pioneering advances in robotics and healthcare, we continue to push boundaries while building on our strengths.

Six years in, the success of our City Region Deal's Data-Driven Innovation has demonstrated the power of regional collaboration. Now, this Innovation Action Plan marks the next ambitious step in our journey. By aligning the capabilities and aspirations of our diverse partners - from start-ups to global corporations, colleges to research institutions - we are creating a unified vision for innovation-led, inclusive growth that benefits all our communities.

Our region's exceptional strengths in artificial intelligence, healthcare innovation, and data science position us perfectly to drive Scotland's future prosperity. But true innovation means ensuring these opportunities reach every corner of our region. This Plan sets out how we will nurture

talent, support emerging businesses and social enterprises, and create pathways for everyone to participate in, and benefit from, the innovation economy.

Through deeper collaboration with Innovate UK and Scottish Enterprise, we will accelerate the commercialisation of research, strengthen our innovation infrastructure, and attract investment that builds on our competitive advantages. This Plan provides the shared framework and mandate needed to realise these ambitions.

The path ahead is exciting. By working together, we can cement our position as one of Europe's leading innovation regions, increasing prosperity and reducing inequalities across all our communities. This plan sets out how we will achieve this together.

Cllr Jane Meagher

Convener of the ESES CRD Joint Committee

Executive Summary

Innovation means turning cutting-edge ideas into real-world solutions and economic growth by commercialising bold and diverse thinking. This plan aims to harness the region's capabilities in AI, data, and robotics to catalyse inclusive and sustainable growth in health, sustainable advanced manufacturing, and financial services. It will do so by building on:

- **Edinburgh and South East Scotland's proud heritage of innovation**
- **National Innovation Strategies**
- **The Edinburgh and South East Scotland City Region Deal**
- **Regional Prosperity Framework**



Energy Park Fife, Methill. Source: Scottish Enterprise.



This document represents a commitment by Innovate UK, Scottish Enterprise and the Edinburgh and South East Scotland City Region partners to work together on common strategic innovation priorities and to develop and promote internationally significant regional innovation assets and capabilities. This collaborative approach aims to increase inward investment into the city region's innovation system and priority growth industries to accelerate sustainable economic growth to support businesses and citizens. This will include supporting areas of deprivation by working to create opportunity for them by creating pathways and breaking down barriers to nearby key sites of innovation opportunity, such as the Edinburgh BioQuarter and the Forth Green Freeport.

Through this Action Plan, we will work together to:

- **Inspire:** encouraging more businesses to undertake all forms of innovation and generate commercially valuable intellectual property.
- **Involve:** working together across the city region's ecosystem to amplify regional and community impact.
- **Invest:** aligning our existing resources and investments to ensure we build on the insights, assets, and capabilities across the city region.



We will do this by:

- Supporting the utilisation of the city region's strong data science expertise in AI, informatics, and robotics to address industry innovation challenges, attract investment, and drive business growth. Support local businesses in adopting data technologies for enhanced productivity.
- Developing and exploiting three initial priority high-growth regional innovation clusters by applying data-led innovation capability to innovation challenges and international market opportunities.
- Enhancing the coherence of our innovation support resources and deploying them within the city region to stimulate inclusive innovation and support businesses more efficiently and effectively.
- Developing cohesive investment propositions and joint promotion which also supports internationalisation ambitions and connects our regional growth clusters to market opportunity elsewhere.
- Creating an innovation leadership approach to ensure the voice of industry in priority growth industries to drive the development and implementation of this Action Plan.



Fife

- Rosyth Port
- Arrol Gibb Innovation Campus
- Financial Payments Cluster

East Lothian

- Edinburgh Innovation Park

Midlothian

- Roslin Innovation Centre

Edinburgh

- Leith Port
- DDI Platform
- TechScaler
- Industrial Biotechnology Innovation Centre (IBiolC)
- FinTech Scotland
- Edinburgh BioQuarter
- Medical Device Manufacturing Centre (MDMC)
- Integrated Quantum Network

West Lothian & Falkirk

- Grangemouth Port
- Critical Technologies Manufacturing Cluster

Scottish Borders

- Borders Innovation Park
- Eyemouth Marine Innovation Centre
- Scotland's Natural Capital Innovation Zone

The Edinburgh and South East Scotland City Region has many strengths, and within this Innovation Action Plan, we will work with business and innovation leaders to align and build on them.

Leveraging nationally significant innovation assets, including regional innovation facilities and the Integrated Regional Employability and Skills programme, this Action Plan aims to build upon the successes of the city region to increase resilience, and embed innovation into the regional economy, to support long-term strategic growth.

Supporting the development of the city region innovation clusters will help drive sustainable, inclusive growth by supporting jobs, attracting substantial inward investment, and positioning the city region as a global hub for disruptive innovation.

Innovate UK and Scottish Enterprise will work with Edinburgh City Region, its businesses and local partners, and other regional clusters to deliver joint ambitions for innovation-driven economic growth.

The city region's initial focus is on three priority innovation clusters:

- **Sustainable Advanced Manufacturing**, focused at the **Forth Green Freeport**, currently supports 2,000 businesses across the region and aims to generate £7.9 billion of public and private investment across the next decade.
- **Health Innovation**, centred on the **Edinburgh BioQuarter**, an internationally leading hub for genetics, regenerative medicine, and AI-driven healthcare solutions. Edinburgh BioQuarter was one of the first places in the UK to co-locate academic research, clinical delivery and commercial research at scale. The research base includes cell and gene therapy, and the business base is mainly Scottish spin-outs or start-ups with several internationally owned occupants.
- **Financial Services and Fintech**, leveraging Edinburgh's status as a global financial hub, comprising 1,200 financial services businesses and 120 fintech. Edinburgh-located companies include multinational conglomerates such as **J.P. Morgan, BlackRock, Royal London** and **Phoenix Group**, and a thriving cohort of start-up businesses.

Supporting the development of these three focus clusters, the Action Plan will build on the success of initiatives such as the **Data-Driven Innovation Platform (DDI)** and **TechScaler** programme. This will harness the city region's global excellence in AI, robotics, and digital technology to drive innovation and inclusive growth across key sectors. It builds on the DDI Platform's six physical and digitally connected hubs, and initiatives such as the award-winning Integrated Regional Employability and Skills programme.

The region's TechNexus will strengthen its position as a world-leading ecosystem for AI and data-driven innovation, and accelerate technology adoption in business and public services, support the creation and scale-up of new asset-rich companies, and build a regional skills and talent pipeline in AI, digital and robotics.

Partners will nurture emerging and new clusters as they develop critical mass, such as the natural capital innovation opportunity for the south of the city region. An innovation district approach will ensure hyper-collaboration between regional innovation partners, creating a supportive environment to nurture business growth. Partners will explore the need for accelerator programmes to support and drive scaling companies; work together to enable appropriate commercial facilities to retain and grow these companies; support business skills and leadership; unblock obstacles to venture capital funding and investment; and attract more mature companies into the innovation system.



National Perspective

Innovate UK, Scottish Enterprise, and Edinburgh City Region (including key regional stakeholders) co-created this Innovation Action Plan in line with the objectives of the UK's mission-led Government and the Scottish Government's **National Innovation Strategy**.

Innovate UK is the UK's innovation agency and is committed to working in partnership with local and national partners to create diverse ecosystems that inspire innovations, help companies to grow and commercialise new products, processes, and services, providing a foundation for new ideas to thrive - as set out in the Innovate UK **Plan for Action**.

Innovate UK is dedicated to working with partners to align national and local plans and strategies, leveraging the extensive reach of UKRI collaborations to drive greater innovation and to drive economic growth. Working across government to support the UK in becoming a prime location for inward investment into our industries of the future.

Scottish Enterprise is Scotland's national economic development agency and helps ambitious businesses to innovate and scale. It has been supporting Scotland's economy and businesses for over 30 years. Its purpose is to drive business innovation,

build international competitiveness and encourage more investment in companies and infrastructure. Scottish Enterprise supports the delivery of the Scottish Government's **National Strategy for Economic Transformation (NSET)** and the vision set out in the **National Innovation Strategy for Scotland** to become one of the most innovative small nations in the world by 2033.

Innovate UK and Scottish Enterprise signed a Memorandum of Understanding to facilitate greater alignment of innovation and business support in Scotland. Applying this integrated approach to stimulate and

support innovative scaling businesses in the city region.

Innovate UK and Scottish Enterprise work widely with strategic regional partners and stakeholders, engaging with business and innovation groups to develop opportunities aligned with regional strengths.

The UK's universities, research technology organisations and **Innovate UK Catapult Network** provide access to expertise and equipment and are critical innovation infrastructure that support businesses to develop and commercialise their ideas.

Edinburgh and South East Scotland City Region Foundations

Edinburgh and South East Scotland City Region (defined in this Action Plan as the following local authority areas - City of Edinburgh, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian) has long been a beacon of innovation, establishing the city region as a global centre for breakthrough technologies and pioneering ideas. Local researchers cloned Dolly the Sheep in 1996 at the **Roslin Institute**. The UK's first AI department was established in 1964, and Edinburgh now hosts the UK's largest cluster of AI research excellence. Genetics are being revolutionised to support advanced regenerative treatments through successful spin-outs and licensing deals. Local informatics expertise has created global tech success stories such as **Craneware**.

Today, the city region continues to build on this legacy to position itself at the international cutting-edge of data and technology-driven innovation.

Princes Street, Edinburgh. Source: Scottish Enterprise.

A Proven Digital Ecosystem

Thanks to an integrated ecosystem connecting academia, industry and government, the city region is a leader in digital innovation. The 2016 Science and Innovation Audit identified the city region's exceptional strengths in data-driven innovation (particularly in life sciences, financial services, and AI). The audit laid the groundwork for strategic focus on leveraging data, AI, and robotics to drive inclusive economic growth. These emerging sectors comprise 300 businesses, 9,000 employees which contribute £9.4 billion in regional turnover. Prominent innovation assets include the **CodeBase** which is a startup ecosystem builder which has supported the creation of hundreds of

startups, leading to over £2 billion of private and public investment.

The Data-Driven Innovation Platform, a vital component of the £1.5 billion Edinburgh and South East Scotland City Region Deal, was pivotal in transforming this vision into reality. Data-Driven Innovation fosters collaboration across sectors, providing an integrated network of hubs that promote cutting-edge research, technology adoption, and business growth. Each hub plays a distinct role in driving innovation, including:

- **The National Robotarium** at **Heriot-Watt University**, in partnership with the **University of Edinburgh**, drives advancements in autonomous systems

and robotics, paving the way for new applications in manufacturing, healthcare, and beyond.

- The **Bayes Centre** for data science and AI leads interdisciplinary collaborations that translate research into practical solutions for industry challenges. It is critical in nurturing early-stage companies and enhancing the city region's capacity to innovate and apply AI across industries.
- The **Usher Institute** at Edinburgh BioQuarter is a dedicated health and social care hub that uses data to improve public health, patient care, and healthcare systems, and address health inequalities. Its work in health analytics supports broader Data-Driven Innovation objectives by providing insights vital for cross-sector innovations.
- The **Edinburgh Futures Institute**, located adjacent to Quartermile and Edinburgh's financial district, houses a world-leading cluster on financial services and fintech, including the UKRI Strength in Places Funded project **Smart Data Foundry** which aims to harness financial data for public good, as well as the **Edinburgh Centre for Finance Innovation**, and a major partnership with **Abrdn** to transform investment and asset management.

The Data-Driven Innovation Platform has supported over 500 early-stage companies that have secured £200 million in follow-on investment. This includes companies who have now scaled to high-growth such as RoslinCT. It has established Edinburgh as a leader in data-driven innovation, directly contributing to the city region's role as a Data Capital of Europe, and ensuring data and AI are mobilised to benefit the region and its residents.

Accelerating Entrepreneurial Success

The Region's universities are generating new spin-outs and support the broader start-up community. The **University of Edinburgh** continues to grow its innovation activity, with its subsidiary commercialisation arm Edinburgh Innovations supporting 127 new start-ups and spin-outs over the past year and securing more than £140 million investment into its company portfolio. It was named joint first in the world for industry, innovation and infrastructure in the Times Higher Impact Rankings.

Queen Margaret University is partnering with the City Region Deal and East Lothian Council to deliver a £40 million Edinburgh Innovation Hub, a best-in-class facility providing laboratory and office space for high-growth technology and innovation-based businesses close to the City of Edinburgh.

Edinburgh Napier University was named one of the top ten universities in the UK and second in Scotland for generating spin-out companies, including Celtic Renewables. The university brings particular expertise in consumer trust and cybersecurity through its **Centre for Artificial Intelligence & Robotics** and **Centre for Cybersecurity, IoT & Cyberphysical Systems**, with important applications across fintech and other sectors.

The city region's universities have been at the vanguard of promoting diversity and inclusion. The **SDG5 Living Lab** was launched as a pioneering initiative by Edinburgh Napier University and **Women's Enterprise Scotland** to foster gender equality in entrepreneurship. Its enterprise hub, **Bright Red Triangle**, enacted a significant new partnership with Queen Margaret University and **Edinburgh College** to offer entrepreneurial

and business support to their students, graduates and staff. Bright Red Triangle also provides accelerator programme expertise in collaboration with **South of Scotland Enterprise**. Since its formation in 2005, the enterprise hub has supported over 1,000 start-ups and freelancers. In addition, Heriot-Watt University hosts the **Converge Challenge**, developing new businesses from amongst Scotland's academic community.

In the area of life sciences, Building Nine at Edinburgh BioQuarter, provides incubation space for early-stage companies. Heriot-Watt University hosts a significant life science collaboration to drive commercialisation and adoption in clinical settings through the **Medical Device Manufacturing Centre**. This collaboration with four other universities – **University of Dundee**, University of Edinburgh, **University of Glasgow** and **Robert**



Port of Grangemouth. Source: Scottish Enterprise.

Gordon University was part-funded by the City Region Deal and has already engaged with over 170 Scottish companies such as Avicenatech (3D printing of micro-lenses for fibre optic applications), Softcell Medical (packaging solution for pH probe), FlexMedical Solutions (imaging of laser processed components), and Intellipalp Dx (prototyping prostate cancer diagnostic device).

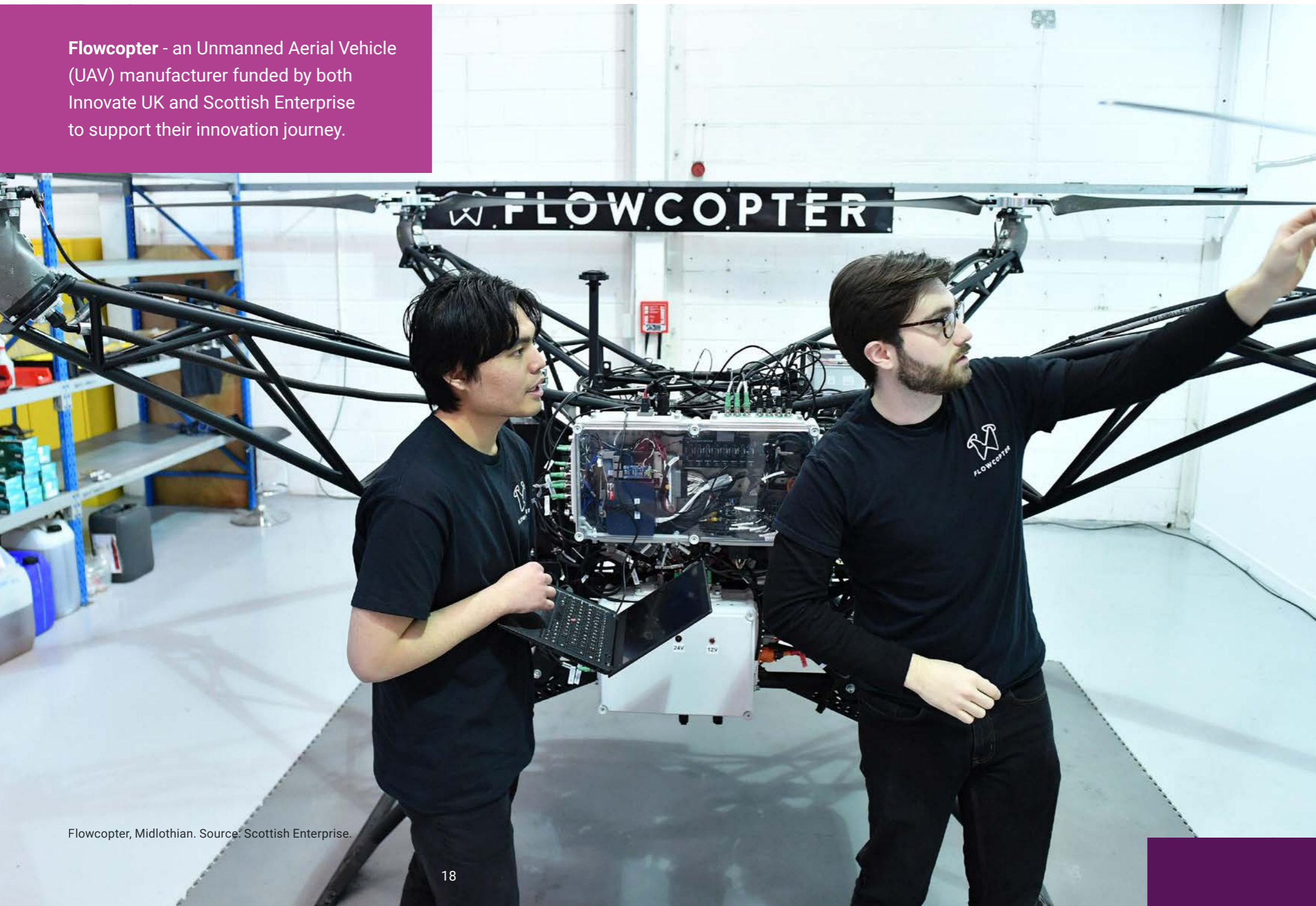
Beyond the universities, the region is enhancing opportunities for high-value inward investment. For example, the Borders Innovation Park at Tweedbank is creating investment opportunities in the Scottish Borders and assisting existing businesses improve their competitiveness. It is helping to address inequalities in the area by providing access to high-quality, well-paid jobs.

Key Scottish Government initiative Techscaler accelerates the growth of tech start-ups and scale-ups across the city region. In its first two years since founding in November 2022, Techscaler has supported 364 Edinburgh start-ups and scale-ups to raise £80 million in capital (which is 40% of Scottish-wide support).

This programme is critical to nurturing high-growth companies like **Continuum Industries**, **Lovat Compliance** and **Phlo** that have expanded their operations globally. Strategic acquisitions, such as **Intel**'s acquisition of Codeplay and **Idox**'s acquisition of **ThinkWhere**, underscore the city region's attractiveness to global investors as a hub for technological innovation.

Techscaler also supports a network of over 120 experienced entrepreneurs and mentors across Scotland who provide vital guidance to emerging companies. With the infrastructure to accelerate business growth, the city region is well-positioned to scale these successes and create a lasting impact on the global stage.

Flowcopter - an Unmanned Aerial Vehicle (UAV) manufacturer funded by both Innovate UK and Scottish Enterprise to support their innovation journey.



Flowcopter, Midlothian. Source: Scottish Enterprise.





Pioneering Facilities for Innovation

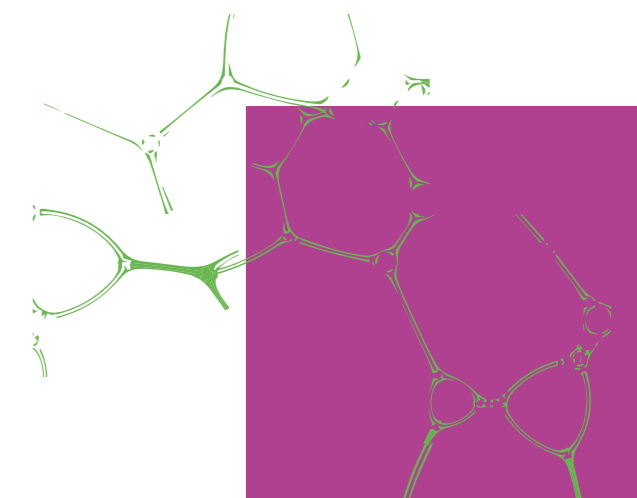
LifeArc, Edinburgh BioQuarter. Source: Scottish Enterprise.

The city region is home to world-class facilities and research institutes that provide the necessary infrastructure to drive future breakthroughs. These assets play a critical role in advancing innovation in key sectors, leveraging key facilities, including:

- **FloWave:** Located at the University of Edinburgh's King's Buildings, this first of its kind research facility tests wave and tidal energy technologies under realistic marine conditions.
- **FastBlade:** The world-first regenerative fatigue testing facility for tidal turbine blades located in Rosyth pushes the boundaries of renewable energy technology and enables the offshore wind sector to scale faster.
- **Edinburgh Genome Foundry:** One of the most highly automated DNA assembly platforms in Europe, the Foundry specialises in the modular assembly of DNA constructs, supporting advancements in personalised medicine, gene therapy, and vaccine development.

These facilities drive technological breakthroughs to address major societal challenges. They are powerful magnets for attracting inward investment and fostering public-private collaboration. For example, the **Advanced Care Research Centre** secured £20 million from **Legal & General** to embed data, AI and robotics in ageing health and social care. The **Childlight Initiative** received £25 million from the **Human Dignity Foundation** to combat child exploitation through data innovation. The **Centre for**

Technomoral Futures attracted £5 million from **Baillie Gifford** to help address AI's ethical, regulatory and social implications.





Commitment to Skills and Inclusion

Cytochroma. Source: Scottish Enterprise.

Skills development is a critical enabler of innovation and inclusive growth, ensuring the city region can meet the workforce demands of emerging industries. Recognising the varied organisations responsible for delivering UK-level and devolved skills provision, this Action Plan prioritises collaboration with partners across academia, industry, and government to address local gaps. Together, creating opportunities that allow all communities to participate in and benefit from the innovation economy.

The **Integrated Regional Employability and Skills (IRES)** programme and the **Data Skills Gateway** are critical drivers of this goal. With £25 million in investment, IRES delivers skills and new employment opportunities across the city region, targeting communities traditionally left behind in an evolving economy. IRES has considerably exceeded

its targets, with 8,325 job outcomes and over 121,000 skills improvements. The programme has leveraged an additional £11 million in funding, and won the Scottish Public Sector Award for Project and Programme Management in 2023.

The **Data Skills Gateway** has enhanced digital literacy for over 84,000 participants, ranging from school children to professionals returning to work. The **Data Education in Schools** initiative has reached 40,000 students in 850 schools, providing foundational data science skills and ensuring the next generation is equipped to thrive in the digital economy. The Inspire Academy, based in the Scottish Borders, is a compelling skills and innovation initiative that trains educators to use and deploy digital skills and creativity to help young people develop required digital skills.

A Thriving Ecosystem Poised for Growth

The city region's innovation ecosystem continues to reach significant milestones that solidify its role as a global leader in research, technology, and economic impact. Launching the **Generative AI Laboratory** at the University of Edinburgh will further strengthen the city region's leadership in AI. This lab focuses on developing AI-driven solutions for sectors ranging from healthcare to climate change.

The city region's strong foundation will ensure that it:

- Contributes meaningfully to the UK's net-zero ambitions.
- Improves public health outcomes.
- Secures its place at the forefront of the global innovation landscape.



Edinburgh BioQuarter. Source: Scottish Enterprise.

The City Region's Vision and Objectives

Vision: Data Capital.
Inspiring Futures.

Building upon solid foundations, Edinburgh and South East Scotland's regional partners are committed to shaping the future economy across critical sectors.

The city region's thriving innovation ecosystem has benefited from robust innovation infrastructure, strong leadership, and a clear strategic vision consistently enacted over many years.

UK and Scottish Government policies form the foundation for future regional development. **The Edinburgh and South**

East Scotland Regional Prosperity Framework commits to embedding innovation into the core of the regional economy, aligning with government objectives and integrating innovation into every facet of local economic strategy.

Future goals for the city region include:

- Positioning itself as a Data Capital that inspires futures and harnesses the power of data to drive change, shape economic growth, and be a global leader in technological innovation.

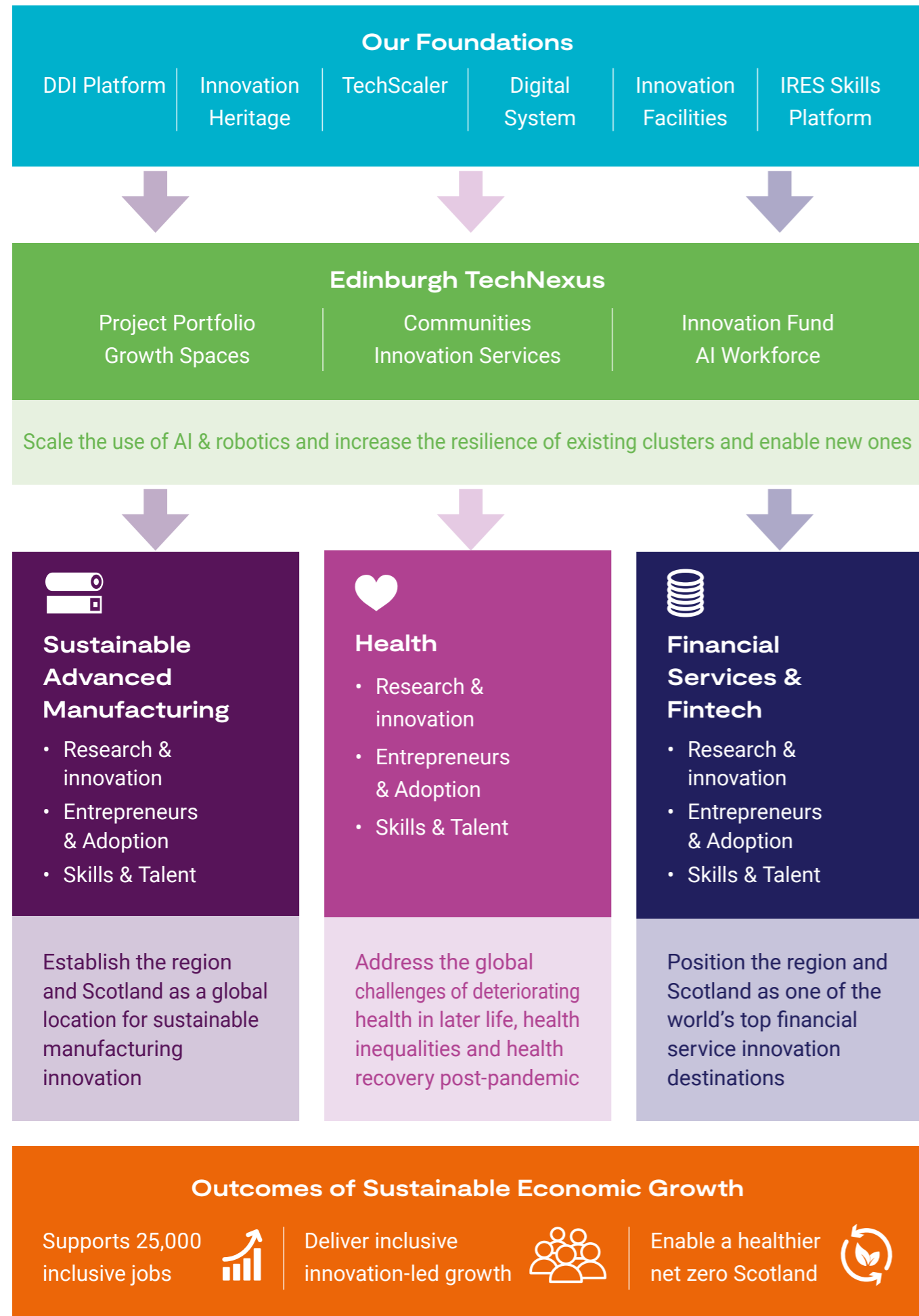


National Robotarium. Source: Scottish Enterprise.

Working across three core areas to achieve these goals:

- **Sustainable Advanced Manufacturing**, focused at the Forth Green Freeport.
- **Health Innovation**, centred on the Edinburgh BioQuarter.
- **Financial Services and Fintech**, leveraging Edinburgh's status as a global financial hub.

Innovation Clusters and Underpinning Platforms



Part of our vision is to work towards an **Edinburgh TechNexus** that will ensure that AI, data and robotics are applied across focus sectors and beyond to support solving societal and economic challenges. The city region's strengths across these technologies are exemplified by initiatives such as the **National Robotarium**, **FinTech Scotland** and the **Advanced Care Research Centre**, and will catalyse the next wave of technological and workforce evolution. Such capabilities have already delivered transformative impact through novel healthcare solutions, sustainable manufacturing technologies and innovative fintech applications. They underpin a dynamic business community, from global enterprises like **Skyscanner**, **Abrdn** and **Amazon** to high-growth start-ups like **Aveni** and **MiAlgae**.

By harnessing these strengths, the city region is committed to: reduce Scotland and the UK's carbon footprint; improve life expectancy; address health inequalities; and create sustainable industries that drive long-term and inclusive economic growth. Recognising the global shortage of skilled AI, data and robotics professionals, Edinburgh City Region aims to turn this challenge into a strategic advantage to build an inclusive, green, and innovation-skilled workforce by expanding successful data education and vocational training programmes.

Delivering these ambitious goals through collaborating closely with industry leaders, global innovation experts, research institutions, civic leaders and local communities.



The Data Lab Edinburgh. Source: Scottish Enterprise.

The City Region's Future Focus

Regional partners share an ambition for the city region to have a strong, resilient and inclusive economy, attracting investment and boosting economic growth by building on critical innovation assets, institutions, civic leaders and local communities.

This Action Plan is anchored around three priority clusters each representing a network of inter-connected firms, innovation enablers and organisations: Advanced Manufacturing, Health, and Financial Services.

A crucial fourth horizontal stream of established regional capabilities in AI, robotics, digital technology and business support will drive innovation across multiple clusters and sites. These capabilities will be rolled out throughout the city region to ensure companies, innovation assets and communities are connected to the opportunities developed through this Action Plan.



Edinburgh Castle. Source: Scottish Enterprise.



Bayes Centre, Edinburgh. Source: Scottish Enterprise.

Builds on...

DDI platform, TechScaler, IRES Skills Platform, our digital ecosystem, regional innovation and our rich innovation legacy

In order to...

Weave inclusive innovation into our economic fabric

Realise Government strategies & policies

Enable long-term strategic regional partnerships

Drive sustainable advanced manufacturing

Improve the nation's health

Nurture a global financial innovation destination

Deliver green and innovation skilled workforce

To achieve this we will...

Ensure laser focus on research & innovation priorities, entrepreneur & innovative company support and talent development.

Focus on three industry clusters



Create the advanced manufacturing cluster centred on

FORTH GREEN FREEPORT



Build the health cluster centred on

edinburgh **bioQuarter**



Develop the financial services innovation cluster centred on

Edinburgh Financial District

Enhance the ecosystem



Edinburgh TechNexus

Improve the resilience of our innovation activities, access enabling tech and access resources for growth

As a result, we will...

Supports 25,000 inclusive jobs



Deliver inclusive innovation-led growth



Enable a healthier net zero Scotland



We recognise the significance of...

Need for a global approach



Dynamic global tech landscape



Sustainability and net zero



Regional income disparities



Challenging Economic outlook



The region will be seen as...

The data capital of Europe



A seedbed for disruptive breakthrough businesses



A magnet for global innovators and investors



To enact our plan, we will...

Work with the local innovation ecosystem to co-develop the delivery plan and set clear time lines and deliverable outputs to the actions from this document

Fostering Inclusive Growth

Fundamental to our initiatives we will embed ambitious goals of inclusivity, equity, and sustainability. Partners in the Edinburgh and South East Scotland City Region aim to make the region the UK's benchmark for inclusive innovation. It will foster an ecosystem where innovation and growth drive shared prosperity. In this environment, ideas will flourish, organisations will thrive, and communities will prosper together. By championing inclusivity, equity, and sustainability, we will ensure that innovation is not the privilege of a few but the shared success for all.

The innovative places identified within this plan should have an agenda of improving local communities. We recognise the importance that local communities see opportunities in our identified places of innovation, that they feel able to use these spaces and can imagine themselves having future careers there. The Forth Green Freeport and Edinburgh BioQuarter both have areas of deprivation in their proximities. An exclusive focus on innovation leaves the door open to a hollowing out effect. We recognise the importance of supporting the right type of place-leadership which is inclusive, community-led (industry, occupants and nearby residents) and collaboration minded.

Babcock Rosyth. Source: Scottish Enterprise.

Different communities face distinct challenges in accessing skills, employment and innovation opportunities. This Action Plan will support the identifying, prioritising and addressing of barriers to inclusive and equitable growth, creating a thriving ecosystem where everyone, regardless of background or geography, can actively participate and benefit. In this way, unlocking talent and opportunity from across communities.

The city region's Higher and Further Education, business networks, and thriving cultural and entrepreneurial communities provide a strong foundation for bold action. A commitment to inclusive innovation to ensure that more people, enterprises and organisations across the city region actively contribute to and benefit from innovation. The regions commitment to deliver on this ambition:

- **Create the UK's most extensive network of Innovation Hubs:** Establish cutting-edge hubs accessible to underserved communities across the region, providing entrepreneurial resources, digital training, and mentoring.



- **Champion innovation in local businesses:** Launch dedicated programmes to help organisations, including SMEs and start-ups, integrate cutting-edge technologies, improve productivity, and adopt sustainable and inclusive practices.
- **Embed community engagement:** Co-design an innovation agenda with under-served communities, ensuring their voices, insights, and priorities shape initiatives and outcomes and identify opportunities for community benefits resulting from community wealth-building investments.
- **Develop regional centres for social innovation:** Position the region as a global leader in addressing social challenges through innovation and workplace skills development, focusing on public health and net zero transition.
- **Enhance connectivity across the region:** Ensure every area, rural or urban, is linked to and benefits from local innovation activities, leveraging digital infrastructure and collaborative partnerships to remove geographical barriers.
- **Provide world-class entrepreneurship education:** Partner with universities, colleges and schools to deliver bespoke programmes for schoolchildren and under-represented groups, equipping individuals with the skills, confidence, and resources to succeed in the innovation economy.
- **Implement robust monitoring and accountability frameworks:** Establish metrics to track progress, ensure equitable outcomes, and report publicly on the impact of inclusive innovation initiatives in overcoming inequalities.

Sustainable Advanced Manufacturing

The Sustainable Advanced Manufacturing cluster will focus on two related areas: harnessing data-driven innovation to drive low-carbon energy industries such as offshore renewables; and transitioning chemical industries from fossil fuel dependency to a lower-carbon future through informatics, industrial biotechnology and engineering biology innovation.

The city region has a rich industrial legacy, including its maritime and shipbuilding sectors. A key asset to this overall cluster is the Forth Green Freeport, which is set to attract further businesses and jobs into the city region and is projected to generate £7.9 billion of private and public investment over the next decade and boost gross value added by £8.1 billion. The Freeport includes key business partners such as Babcock Engineering and INEOS, both multinational conglomerates which build and draw upon the city region's rich business supply chains. The Freeport is complemented by assets at the former Cockenzie Power Station and Torness Nuclear Power Station.

Through the Freeport, the city region presents a unified investment approach, showcasing strengths in renewable technologies like the tidal turbine testing at FastBlade. This strategy fosters a sustainable manufacturing sector that includes businesses in green technologies, advanced biomaterials, and renewable energy solutions.



National Robotarium, Methill.
Source: Scottish Enterprise.

Opportunity:

- **Research and Innovation:** Drive advanced research in AI, robotics, sustainable chemicals, and hydrogen production.
- **Entrepreneurship and Innovation Adoption:** Foster innovation through partnerships, seed funding, and targeted support for start-ups and spin-outs. Capitalising on inherited manufacturing expertise in green industries, industrial biotech and critical technologies.
- **Skills and Talent:** Develop apprenticeships, upskilling and reskilling programmes across key industries such as renewable energy, biotechnology and shipbuilding.

The Forth Green Freeport initiative builds on Scotland's engineering and industrial innovation strengths with 800 companies operating in the city region, such as Babcock Engineering and Forth Ports, and employing 32,000 employees. With the ambition of creating 17,000 jobs, supporting high-growth sectors and catalysing inward investment, the city region seeks to establish itself as a global leader in sustainable advanced manufacturing, driving productivity and reducing Scotland's carbon footprint.

Forth Green Freeport will foster significant synergies between existing companies and new green organisations, providing a pathway for Scotland's industrial resurgence while helping address the climate crisis. Regional partners working together on a cohesive investment proposition and joint promotion will help support the industrial ecosystem as it transitions towards net-zero ambitions by integrating cutting-edge technologies such as AI, robotics, and data science. Key innovation infrastructures such as FastBlade exemplify how local innovation advances renewable energy and sustainable engineering.

The city region is exceptionally well-positioned to lead Scotland's next wave of sustainable advanced manufacturing excellence. This strength draws from **Rosyth's naval dockyard**, Leith's maritime heritage, West Lothian's critical technologies manufacturing cluster, which already supports over 10,000 skilled workers and generates revenue of over £4 billion, and Grangemouth's evolving role as a hub for chemicals, engineering biotechnology, and sustainable industry development. Recognising Grangemouth's economic



Energy Park Fife, Methill. Source: Scottish Enterprise.

and social pressures, the Forth Green Freeport initiative also seeks to support its transition into a centre for sustainable industrial activity.

The **Arrol Gibb Innovation Campus** presents a significant opportunity for Scotland to establish a hub for precision engineering innovation that is fully integrated with Edinburgh's established digital technology cluster. The demand for offshore engineering capabilities is growing, particularly in the green economy and clean energy sectors. The city region aims to build capabilities in advanced manufacturing and novel engineering to support new jobs in shipbuilding, offshore wind farms, tidal

energy installations, and renewable energy projects. Decommissioning ageing marine structures also offers opportunities for repurposing and recycling existing assets.

The developing **Grangemouth Sustainable Manufacturing Campus** will provide facilities to deliver innovation led growth through sustainable chemicals and engineering biology. The campus and associated ecosystem of research strengths and increased, focused support for industry will enable the region, Scotland, and the UK, to position itself as the go-to place for the development, demonstration, and deployment of novel Net Zero and Clean Energy technologies manufacturing.



Women in Innovation Award winner Dr Monika Tomecka co-founded uFraction8, which develops innovative industrial bio-separation instruments that outcompete traditional filters, membranes and centrifuges and maintain permeability over a long duration.

Monika's vision is to make sustainable manufacturing with biology affordable – specifically to enable the industrialisation of cultivated meat. uFraction8 focuses on simplifying industrial processes that use cell cultures for the production of food, bio-pharmaceuticals and other bio-based products and chemicals.

Since founding uFraction8 in 2017, Monika has been recognised by Insider as one of the Top 20 women to watch in Scotland and Top 10 of European Women Who Tech in 2019.



LifeArc, Edinburgh BioQuarter. Source: Scottish Enterprise.

Health Innovation

The city region is a hub for cutting-edge health and life sciences companies, with approximately 800 firms generating a combined regional turnover of £10.3 billion and employing around 31,000 workers. Regional expertise ranges from novel diagnostic solutions, regenerative therapies, and digital health approaches, leveraging close ties to the academic research community and the NHS. Notable companies include Optos, Blackford Analytics and Kynos Therapeutics.

The Health cluster leverages Edinburgh BioQuarter's track record of pioneering world-leading medical breakthroughs. It is Scotland's home for advanced therapeutics, with a research base that includes excellence in cell and gene therapy and a business base mainly made up of Scottish spin-outs and scale-ups. Total partnership investment over the last 20 years is c£600 million, producing key assets such as **RoslinCT**, manufacturer of a world-first therapy for treating sickle cell disease. The vision is a £1 billion

transformation to create Edinburgh's Health Innovation District, a new, vibrant mixed-use neighbourhood, ultimately supporting a community of more than 20,000 people.

A planned new Health and Biosciences Institute at Edinburgh BioQuarter will accelerate AI-led healthcare, personalised medicine, and disease prevention breakthroughs. It involves collaboration between numerous Scottish universities with life science excellence.

Opportunity:

- **Research and Innovation:** Focus on data-driven health solutions, genetics, AI, robotics, and longitudinal health data to extend healthy lifespans and address health inequalities.
- **Entrepreneurship and Innovation Adoption:** Support health start-ups, spin-outs, and collaborative ventures to develop advanced therapies, leveraging AI and data analytics.
- **Skills and Talent:** Create high-value jobs in healthcare, biomedical sciences and data-driven health technologies. Train the next generation of doctors, researchers, technicians and healthcare innovators and support a breadth of skills and jobs across the health sector.

Edinburgh BioQuarter is at the forefront of the city region's health innovation strategy, driving next-generation medical breakthroughs and addressing urgent health challenges. By integrating academic research, industry expertise, and the NHS, Edinburgh BioQuarter accelerates new therapy development and improves patient outcomes. It is on a journey to evolve into a fully-fledged Health Innovation District, which aims to position the city region as a leader in the UK's global life sciences sector.

This initiative involves fostering a dynamic life science community, attracting top talent, creating high-skilled job opportunities such as technicians of the future. Crucially, it aims to benefit local communities through establishing clear career pathways, including in neighbouring areas which are amongst the highest on the multiple deprivation index for the region.

The Cell & Gene Therapy Catapult recently opened up new facilities in Edinburgh BioQuarter, marking a significant initiative to connect the broader Innovate UK system with local opportunities.

The NHS plays a critical advocacy role within the city region, facilitating clinical trials, scaling innovative solutions and championing equitable access to health innovations. Co-locating key academic research facilities with the **Royal Infirmary of Edinburgh** and the **Edinburgh Medical School** brings together clinicians, patients, scientists and state-of-the-art pre-clinical and clinical research facilities on one site.

As a vital hub within the city region's health innovation ecosystem, Edinburgh BioQuarter fosters collaborative ties with several regional centres of excellence.

This ecosystem integrates research with entrepreneurship, patient care and professional development. Key facilities in this network include the **Institute of Genetics and Cancer**, the **Roslin Institute and Royal (Dick) School of Veterinary Studies**, the **Genome Foundry** and **Engineering Biology Hub**, the **Medical Devices Manufacturing Centre** at Heriot-Watt University, and expertise in social and mental health at the University of Edinburgh's central campus.

Heriot-Watt University's cutting-edge hub on Medical Engineering further complements and enhances Edinburgh BioQuarter's role through its focus on MedTech. This sector contributes 43% (£2 billion) of Scotland's exports in life sciences.

Life expectancy in Scotland lags behind other European countries, and the economic burden of ill health exceeds £300 billion annually in the UK. The planned Health and Biosciences Institute will significantly

expand Edinburgh BioQuarter's capacity to drive medical breakthroughs to address these challenges, particularly in genetics, regenerative medicine, and AI-driven healthcare solutions.

By fostering collaborations across sectors, Edinburgh BioQuarter will play a critical role in addressing some of the biggest challenges in modern healthcare, including ageing populations, chronic disease management, and health inequalities.

Edinburgh BioQuarter's contributions extend beyond health outcomes to economic growth. By capitalising on the global life sciences market, which is projected to grow 8-10% annually, Edinburgh BioQuarter will create a legacy of financial resilience and sustainability. It is anticipated to support the creation of 5,000 jobs and £140 million in annual gross value added, making the city region a magnet for global talent and investment in health innovation.

Prothea Technologies

Prothea Technologies is a spin-out from the Universities of Edinburgh and Bath specialising in developing advanced biomaterials and regenerative medicine solutions. Their focus is developing technologies that integrate real time imaging and therapeutic procedures, aiming to improve the efficiency of lung cancer diagnosis and treatment. Their technology includes a microendoscope based on optical fibre research and an image processing system to analyse lung structure at a molecular level.

The spin-out company was supported by Scottish Enterprise's High Growth Spinout programme and High Growth Support teams, and leverages IP created by over £20 million funding from UKRI, Wellcome, Cancer Research UK, CARB-X and industrial partnerships.

Prothea secured a Series A investment of £10.3 million co-led by Earlybird Venture Capital and Merieux Equity Partners, with participation from NRW Bank and Old College Capital. This represents the largest first-round investment into a Scottish Enterprise High Growth Spinout Project to date.



LifeArc, Edinburgh BioQuarter. Source: Scottish Enterprise.

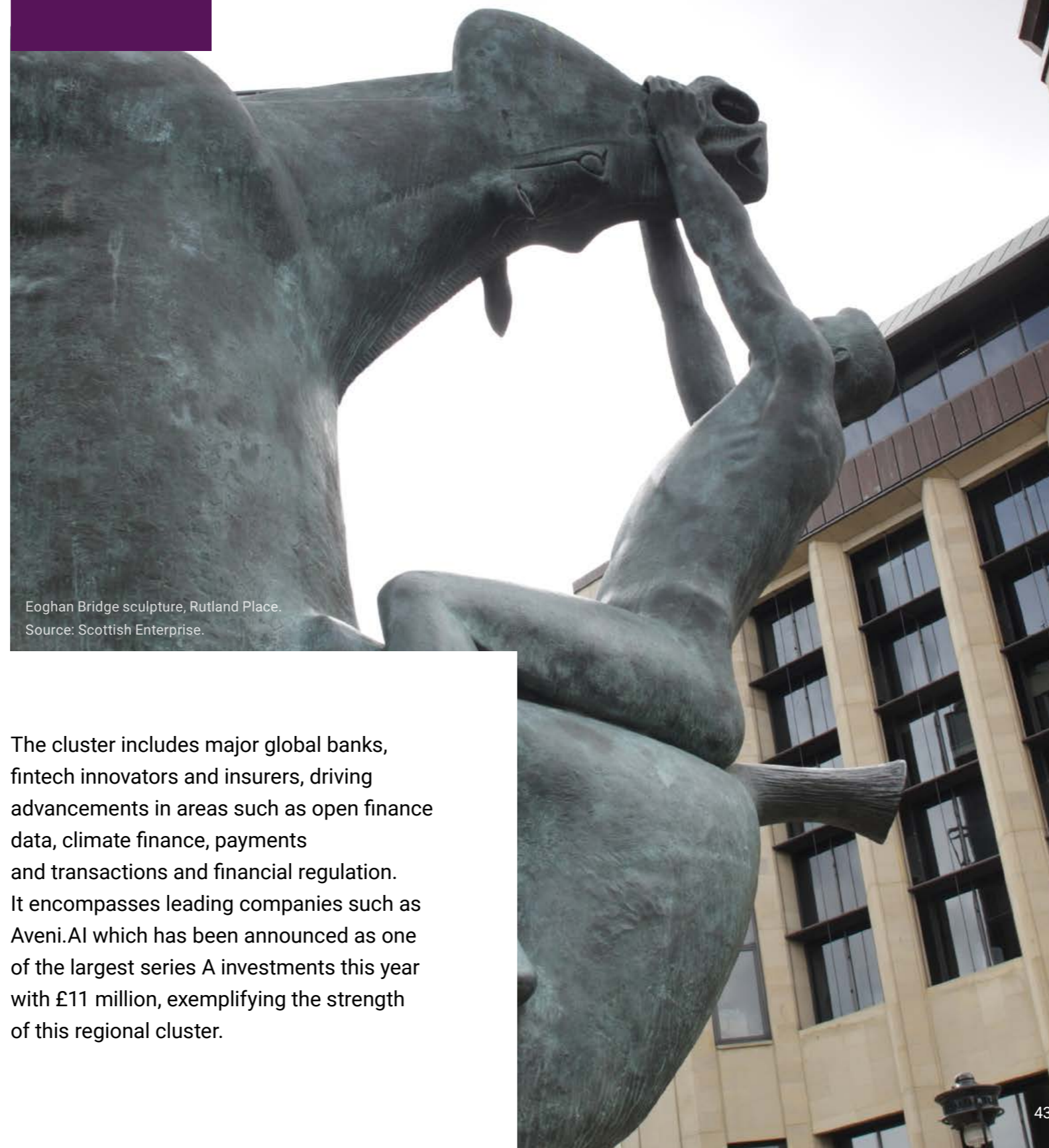
Financial Services and Fintech

Scotland's Financial Services and Fintech community accounts for 10,500 jobs and £738 million gross value added. The majority of this activity (60%) is centred in Edinburgh, which enjoys an internationally recognised status as a global hub for financial innovation. 20% of firms in city benefit from export services and 13% have an international HQ.

This major cluster anchors the city region's economy and builds on Edinburgh's internationally recognised status as a global hub for financial innovation. Currently, the sector accounts for 48,000 (13%) high-skilled jobs, generating 29% of the City of Edinburgh's gross value added.

Benefiting from the support of Fintech Scotland, the region is home to an advanced Fintech cluster, at the forefront of financial services transformation. This includes integrating advanced data, AI, and digital technologies into banking, insurance, and wealth management.

The regional Fintech cluster is mature, extensive and considered gold-standard, with all major stakeholder groups strongly represented. The close physical proximity of key cluster stakeholders and assets created a highly efficient and effective collaborative network that can quickly identify and address key industry challenges and opportunities.

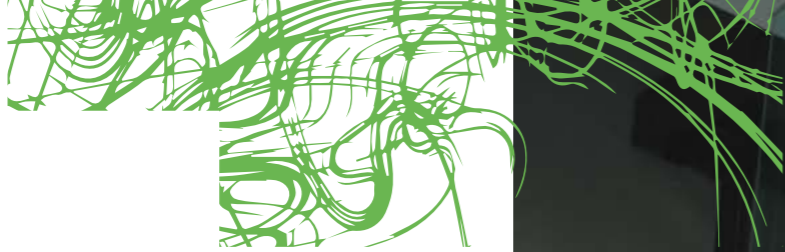


Eoghan Bridge sculpture, Rutland Place.
Source: Scottish Enterprise.

The cluster includes major global banks, fintech innovators and insurers, driving advancements in areas such as open finance data, climate finance, payments and transactions and financial regulation. It encompasses leading companies such as Aveni.AI which has been announced as one of the largest series A investments this year with £11 million, exemplifying the strength of this regional cluster.

Opportunity:

- **Research and Innovation:** Leverage the city region's and its globally recognised fintech ecosystem to drive innovation in key economic areas and support priority themes in the national **Fintech Scotland innovation roadmap** and the published **UK Government's Modern Industrial Strategy** where Financial Services is one of the eight Growth Driving Sectors.
- **Entrepreneurship and Innovation Adoption:** Accelerate and expand cross-industry fintech innovation initiatives. Support start-ups, spinouts, and established firms in adopting and scaling disruptive technologies that improve financial inclusion and resilience, enhance customer experience and drive operational efficiencies.
- **Skills and Talent:** Advance AI, cybersecurity, and sustainable finance skills, enhance leadership capability and literacy of existing financial services workforce through collective employer programmes. Expand the supply of skilled people to accelerate fintech innovation in large and small enterprises.



Edinburgh is using its long-standing banking, investment and asset management heritage to strengthen its position among the world's leading green finance and technology centres. The cluster benefits from key synergies with the nearby regional hub in Glasgow and has the expertise, infrastructure, and collaborative environment to shape the future of financial services and fintech.

The city region's financial services and fintech sector is poised to address global challenges and capitalise on emerging opportunities, including:

- **Digital Transformation:** Accelerating the adoption of AI, blockchain, and cloud technologies to create seamless, secure, and customer-centric financial services. This includes CodeBase, one of the largest ecosystem builders, which runs largescale government contracts, including Techscaler.
- **Net Zero Energy Finance:** Supporting the transition to a net-zero economy through innovations in green finance, impact investing, and financial products.
- **Financial Inclusion:** Leveraging data-driven insights and digital solutions to expand access to banking and credit services for underserved populations.
- **Open Finance and Data Innovation:** Harnessing the power of open finance to drive new business models, enhance customer choice, and create competitive advantages.



RBS Logo. Source: Scottish Enterprise.

- **Collaboration:** Working with key partners in the sector, including FinTech Scotland, to support start-ups, spin-outs and established firms in adopting and scaling disruptive technologies that improve financial inclusion, enhance customer experience and drive operational efficiencies.

A thriving finance innovation ecosystem relies on a highly skilled and adaptable workforce. To meet this need, city region partners seek to advance AI, cybersecurity, and sustainable finance skills through collective employer-led programmes designed to upskill the

existing financial services workforce. These initiatives will enhance technical capability and improve leadership and financial literacy across the sector.

Through innovation, collaboration, and a commitment to sustainability, the city region aims to position Edinburgh city region as a top-tier location for fintech innovation, fostering partnerships with leading financial hubs such as London, New York and Singapore and ensuring the city region remains at the forefront of economic and technological advancements to build long-term prosperity for all its communities.



AI fintech company, Aveni.ai announced one of the largest Series A investments in a Scottish business this year, amounting to £11 million. This investment will enable Aveni to build on the success of existing products, further establishing its presence across the financial services sector and introducing revolutionary technology through the creation of FinLLM, a financial services-specific large language model.

Scottish Enterprise has worked closely with and provided business support to Aveni since 2020, initially as a co-investor at seed round. From there, it's supported R&D and innovation activity to accelerate technology development. More recently, Aveni engaged with Scottish Development International (SDI) and is considering international growth, with the US as a priority market. Scottish Enterprise remains involved as an investor in this latest Series A round.

In 2024, Aveni won Scottish FinTech of the Year at the annual Scottish FinTech Awards.



AI, Robotics, Digital Technology and Business Support

National Robotarium. Source: Scottish Enterprise.

Edinburgh will harness the city region's global excellence in AI, robotics, and digital technology to drive innovation, productivity, and inclusive growth. This will require integrating and expanding regional capabilities for accelerating technology adoption, supporting tech company creation and scale-up and strengthening the AI, digital, and robotics talent pipeline.

The region already hosts successful programmes like the DDI Platform with its six innovation hubs, alongside

initiatives such as the award-winning Integrated Regional Employability and Skills programme. These services ensure our strengths benefit businesses and communities. Aiming to integrate better and further extend these capabilities and ensure they are inclusive and accessible across the region. Subject to investment, the plan is to scale innovation and skills support for healthcare, manufacturing, and financial services while enabling the emergence of new market-driven innovation clusters.

The ultimate ambition is to create an Edinburgh TechNexus: a unified set of programmes, services and facilities providing incubation support, technical advice, and collaboration opportunities. This would involve establishing innovation hubs, connecting collaborative spaces, and addressing capability gaps. The TechNexus would promote cross-sector partnerships, accelerating the transition of innovative ideas to market solutions.

Opportunity:

- **Research and Innovation:** Further Align existing assets and develop initiatives to address technology adoption and innovation infrastructure gaps and increase diversity and inclusion.
- **Entrepreneurship and Innovation Adoption:** Enhance and align existing innovation and business support services to improve the journey for SMEs' from startup to scaleup.
- **Skills & Talent:** Expand the Integrated Regional Employability and Skills programme to ensure workforce readiness for AI, robotics, and other emerging technologies.

National and Regional Innovation Support

Innovate UK and Scottish Enterprise are committing to collaborate with Edinburgh City and the South East Scotland City Region on areas where strategic innovation priorities align.

In the last five years, Innovate UK has invested £139 million into organisations and innovation infrastructure within the city region.

£4 million of this has enabled national research and innovation infrastructure of the Cell and Gene Therapy Catapult at Edinburgh BioQuarter. Offshore Renewable Energy Catapult's **Levenmouth Wind Turbine Demonstrator facility** in Fife has had £10 million of core funding.



The greatest amount of funding in the city region (£100 million) has gone to business, with the largest proportion (£57 million) being SMEs. An additional £25 million has been awarded to academic and research organisations for supporting business innovation and strengthening the relationship between industry and academia.

This is particularly important for SMEs who are less likely to have the research capability in-house and need external research organisations to help progress new ideas to commercialisation.

Innovate UK's offering goes beyond funding. **Innovate UK's ICURe programme** supports researchers in commercialising academic ideas, aligning closely with **Scottish Enterprise's High Growth Spinout programme**. Together, they provide start-ups with the skills, funding, mentorship, and networks needed to foster innovation and drive regional economic growth.

Innovate UK Knowledge Transfer Partnerships (KTPs) have helped businesses innovate for growth for 50 years. They do this by connecting businesses that have a challenge or opportunity with the academic expertise to help deliver it. KTPs are collaborative, transformative, three-way partnerships creating positive impact and driving innovation. In the past five years, KTPs have invested £5.5 million in Edinburgh and South East Scotland.

Innovate UK Business Connect exist to connect innovators with new partners and new opportunities beyond their existing thinking, accelerating ambitious ideas into

real-world solutions. Within Edinburgh and South East Scotland, there are 490 innovators who actively engage in Innovate UK Business Connect's business-facing events including Innovate Locals, briefing events for Innovate UK funding, introductions to organisations and new collaborations.

Innovate UK Business Growth is delivered in a unique partnership with Scottish Enterprise and is available to all innovative SMEs in Scotland with high growth potential. Scottish Enterprise innovation and growth specialists use their expertise and networks to help business build capacity to drive innovation.

Scottish Enterprise has invested significantly into the Edinburgh City Region in the past five years and this Action Plan will foster further collaboration with national and regional partners to align resources and amplify the impacts of our combined efforts.

Over the last five years, Scottish Enterprise has committed £84 million on innovation and R&D projects in grants in the city region. £166 million has also been invested in innovative spin-outs and early-stage companies through equity and loan finance support. Scottish Enterprise also provides wrap-around support to help companies with growth potential to commercialise their innovative technologies and access international markets that allow them to scale. **Scottish Development International** are integrated into Scottish Enterprise's account teams to support internationalisation. They support the region to position itself on the international stage and attract inward investment.

As well as supporting individual innovative scaling business, Scottish Enterprise has been a significant investment partner in the city region's innovation system by supporting many significant innovation assets, including but not limited to:

- £116 million invested into Edinburgh BioQuarter, a centre of excellence for life sciences, research and development, to create one of the first places in the UK to co-locate academic research, clinical delivery and commercial research at scale

- £5 million invested into the Medical Device Manufacturing Centre, a collaboration of Scotland's university research expertise based at Heriot Watt, supporting the transformation of the city region and Scotland's economy by growing the number of entrepreneurs building stronger, scalable innovative medical technologies businesses.
- £1 million invested to support the development of the **Industrial Biotechnology Innovation Centres** (IBiolC) FlexBio scale-up facility based at Heriot-Watt University.



Beta Bugs Ltd.

Beta Bugs is an insect genetics company that develops and distributes black-soldier fly genetics to the insect farming industry as a sustainable alternative to current sources of protein for animal feed. This rapidly developing industry, accelerated by participation from waste processors, retailers and food manufacturers up-cycles agricultural and industrial waste into a green, circular and regionally produced nutrient-rich ingredient for the pet, aqua and livestock sectors that displaces environmentally damaging fishmeal and soymeal.

The company was founded in 2017 with early-stage investment from Deep Science Ventures and set up operations at the Easter Bush Campus, a world-leading agri-food research, work and study environment, just outside Edinburgh in 2019.

Beta Bugs has been supported through Scottish Enterprise's Early-Stage High Growth teams alongside a range of specialists including the Innovate UK Business Growth team, helping to build the foundations to scale at pace and secure innovation grant and loan funding from European, UK and Scottish funding programmes. Beta Bugs secured a seed investment of £1.7 million in 2023 led by TRICAPITAL, with participation from SIS Ventures, Scottish Enterprise, Beeches Group, Climate.vc, together with existing shareholders in the business and Innovate UK through its Innovation Loan Scheme. A further investment of £2.1 million, led by TRICAPITAL and supported by Scottish Enterprise was completed in early 2025 to accelerate the next stage of their scale-up journey, enabling them to grow production capacity in line with market demand and further strengthen their breeding programme.

As part of its innovation journey, Beta Bugs also entered a Knowledge Transfer Partnership (KTP) with the Roslin Institute (University of Edinburgh) to undertake work on BSF selective breeding. Following the success of the project, the Associate Dr Maria Martinez Castellero won Innovator of The Future at the Scottish Exchange Awards in 2024 and then joined the Beta Bugs team as their Genetics & Breeding Programme Manager.



Aligned Ambitions:

Core Areas and Collaborative Actions

This Action Plan aims to align Innovate UK, Scottish Enterprise, and regional partners, including the City Region Joint Committee, to deliver our joint ambitions for innovation-driven growth. Working with wider stakeholders within Edinburgh City and South East Scotland to create a delivery plan and monitor specific activity against our commitments.

The Plan will strengthen collaboration across the ecosystem to enable businesses to innovate and flourish. Working with stakeholders to support the growth of key innovation clusters, our ambition is to:

- Support industry and research organisations in increasing the volume, value, and impact of business-led research and development CR&D projects.
- Create an innovation leadership approach to ensure the voice of industry in priority growth industries to support the development of propositions and interventions.
- Support underserved communities to foster a greater diversity of skills, driving equitable and inclusive growth.
- Ensure the existing support from UK, Scottish and regional providers is made more visible and easier to access.
- Exploit multiple channels to amplify the reach and impact of innovation-related developments and opportunities through

greater engagement at regional and national events.

- Support the uptake of technologies to achieve net-zero targets.
- Support university spin-outs and the adoption of technology.
- Strengthen the support pathway for SMEs from start-up to scale-up.
- Ensure all geographies across the city region are connected and benefit from innovation activity.
- Establish the city region as a test bed for social innovation and encourage greater participation in the innovation economy.

Four main areas have been identified:

1. Foster an Integrated Support Ecosystem.
2. Connecting National and International Innovation Assets.
3. Inward Investment.
4. Skills Development.

National Monument of Scotland, Calton Hill Edinburgh.
Source: Scottish Enterprise.



Edinburgh BioQuarter.
Source: Scottish Enterprise.

Foster an Integrated Support Ecosystem

We will:

- Work together to ensure innovation stakeholders have a clear, consistent and effective route to access innovation support mechanisms.
- Work with regional assets and providers to identify gaps in regional support and develop, deliver and promote integrated, industry challenge-driven, innovation solutions for spin-out, start-up and business growth support.
- Jointly identify growth opportunities in local innovation clusters and develop activities to drive inclusive innovation.
- Support the region's ambition to develop and apply TechNexus capabilities to the priority growth industries and to grow the numbers of internationally focused scaling businesses.
- Collaborate to amplify the work of Edinburgh city region's research and innovation communities nationally.
- Simplify cross-sector ecosystem support for R&D collaboration.
- Engage directly with underserved communities to better understand and overcome the systemic barriers they may face when developing entrepreneurship and enterprise.
- Adopt a whole-system approach to innovation support that promotes sustainable and inclusive economic growth, encouraging partners to align efforts around community building and place-based leadership.
- Support the empowerment of diverse communities by co-designing innovation activities.



Connecting National and International Innovation Assets

We will:

- Amplify the city region's significant innovation support assets to collaboratively promote support, international opportunity and investment inside and outside the city region.
- Connect the city region to relevant parts of the UK and Scottish innovation systems to support digital transformation, Sustainable Advanced Manufacturing, Health, Financial Services, Fintech, Net Zero inward investment and entrepreneurship.
- Share information about potential new programmes to ensure local promotion and participation and identify opportunities for complementary activity.
- Co-create opportunities working with the ecosystem partners through mutual consultation.
- Support industry in working with regulators as partners.
- Develop cohesive investment propositions and undertake joint promotion which supports our innovation assets international ambitions and connects them to opportunity elsewhere.

Inward Investment

We will:

- Work together to identify innovation support and asset gaps and build the business case and propositions to attract support for their development. We will target external public and private sources of inward investment to address gaps and support the development of the regional, Scottish and UK innovation support system.
- Use our joint convening power to ensure national agencies and regionally based partners are aware of relevant investment activities.
- Put innovation at the heart of attracting inward investment to the city region through developing and promoting a regional innovation proposition.
- Support proactive inward investment campaigns focusing on Sustainable Advanced Manufacturing, Health, Financial Services and Fintech to position the city region as a global destination for innovative high-growth companies.
- Work alongside our Investor Partnership network to convene investment opportunities for innovative businesses in the city region.

View from Carlton Hill looking towards Edinburgh Castle and the Mound. Source: Scottish Enterprise.

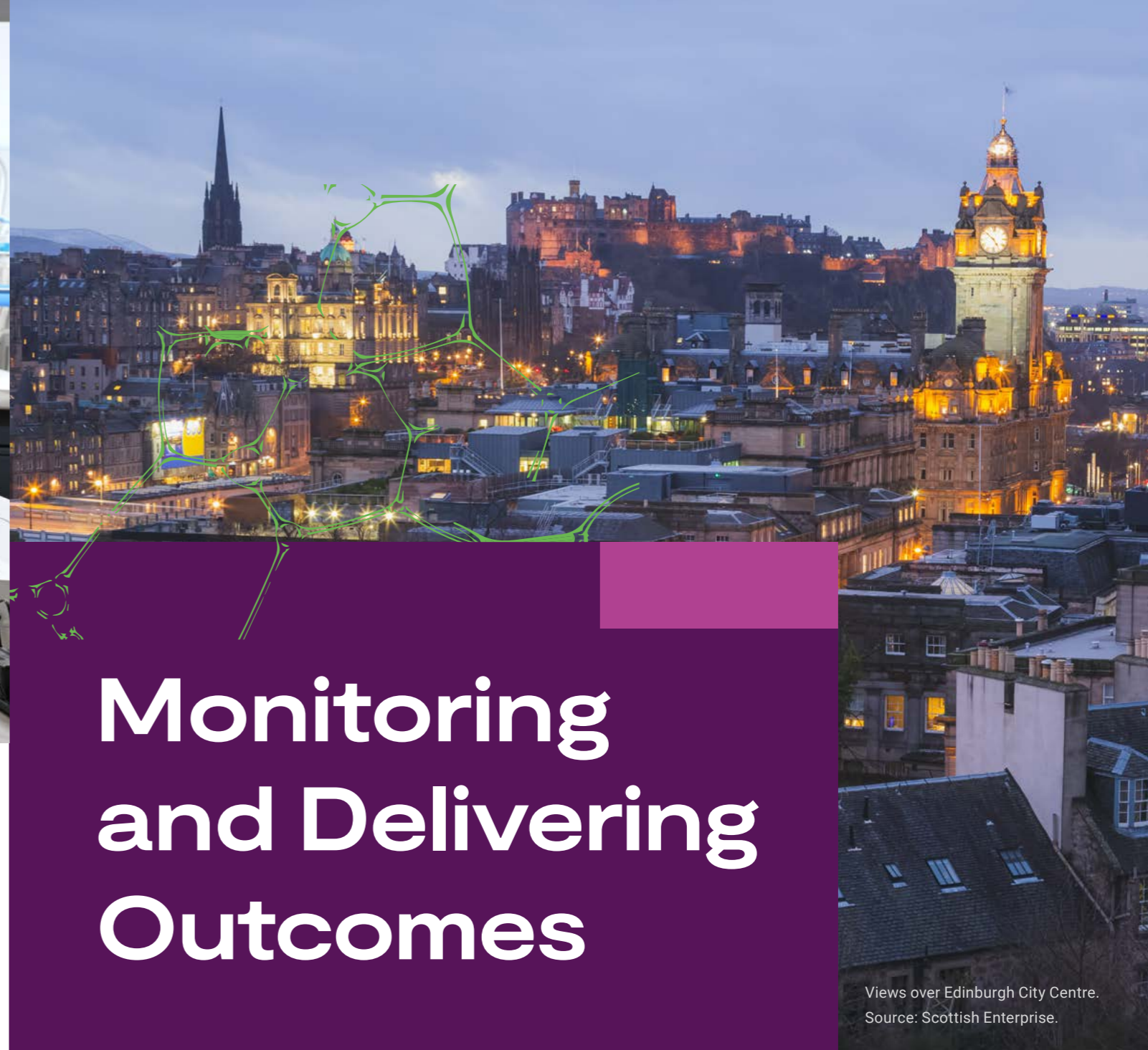


Stortera. Source: Scottish Enterprise.

Skills Development

We will:

- Work with the Integrated Regional Employability and Skills Programme and other relevant skills support organisations to understand the innovation skills gaps and explore programmes of inclusive innovation support.
- Work with regional ecosystem partners, and initiatives such as Techscaler, to inspire and cultivate a culture of entrepreneurship throughout the city region.
- Encourage and support innovators from diverse backgrounds using initiatives like the Young Innovators Programme to accelerate R&D and innovation ideas and bring a new generation of diverse and entrepreneurial businesses forward.
- Work across the ecosystem to increase access to skills development programmes for founders and entrepreneurs for technology and innovation start-ups.
- Engage with Innovate UK's No Limits mission to unlock the power of untapped talent and build an inclusive and accessible innovation ecosystem.
- Work together to stimulate increased uptake of the Knowledge Transfer Partnerships and the ICURe programme to connect industry with research.
- Work with Local Employability Partnerships to support inclusive growth by promoting entrepreneurship and innovation as career pathways for those engaged in employability activity and connecting them to our innovation propositions.



Views over Edinburgh City Centre. Source: Scottish Enterprise.

Monitoring and Delivering Outcomes

Partnership working is at the core of this Action Plan. Innovate UK, Edinburgh City Region partners, and Scottish Enterprise are responsible for overseeing the implementation of this plan. This Action Plan will be delivered with partners across the wider city region.

The collective goal is to support city region businesses in becoming more resilient by encouraging inclusive innovation

growth. This Action Plan is an agile plan that responds to the local needs and opportunities over the next three years.

Reviews will take place annually. At each review, we will assess progress against the actions and consider a delivery plan for the subsequent year, evolving existing and creating new actions as appropriate, in line with the principles we have laid out throughout this document.



Innovate
UK



The Mound, featuring headquarters of Lloyds Banking Group. Source: Scottish Enterprise.

ukri.org/councils/innovate-uk

03003 214357 • support@iuk.ukri.org • [@innovateuk](https://twitter.com/innovateuk)

Innovate UK, Polaris House, North Star Avenue, Swindon, SN2 1FL