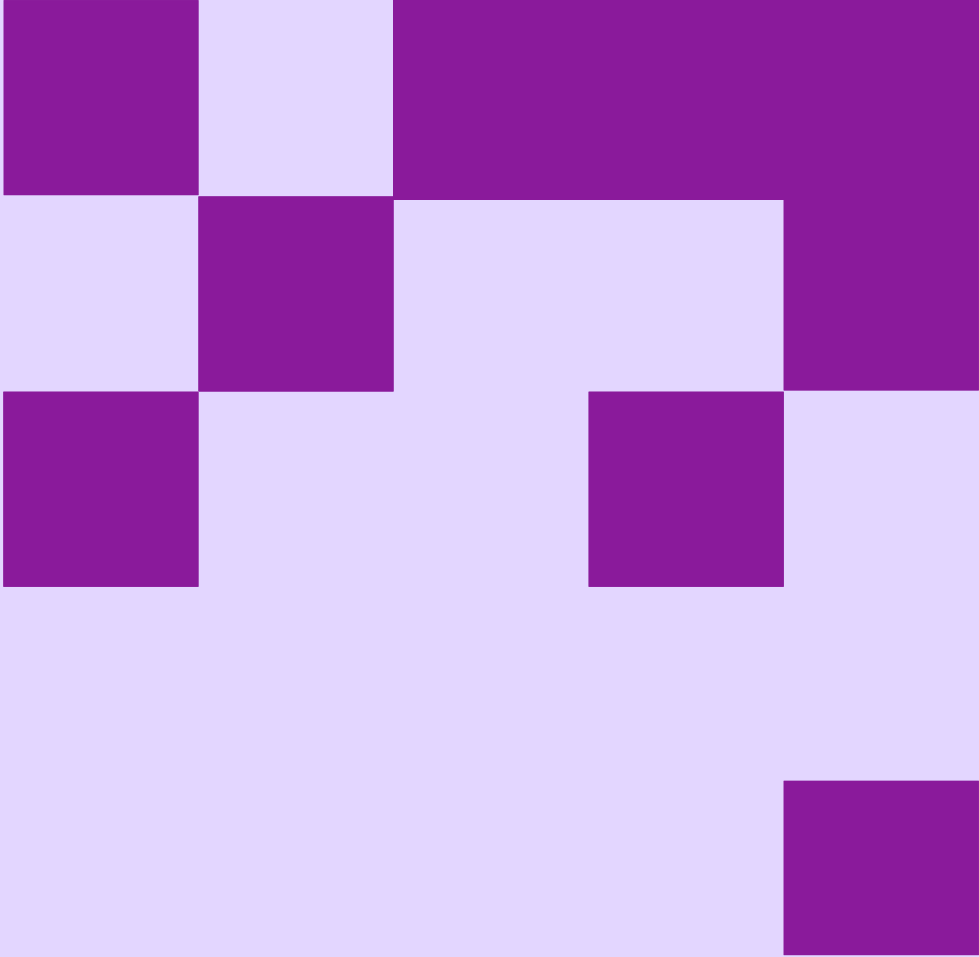




- INNOVATE UK
- Breakthrough Wave
- Competition 1

Frequently Asked Questions

Competition

- **What is the aim of this competition?**
- The competition aims to support early-stage innovation at the intersection of high-growth potential Createch technologies and the Industrial Strategy Frontier industries. Funding is intended to help projects move beyond proof of concept, derisk future investment, and support long-term sector growth.
- **What is the funding mechanism?**
- Funding is provided as a **grant**
- **Is funding guaranteed if my application scores highly?**
- No. This is a competitive process with a limited budget. Even a strong application may not receive funding
- The 'portfolio approach' is used to fit the spend profile of the competition. The Innovation Lead or Challenge Director responsible for the competition will make sure that funds are allocated across the strategic areas identified in the scope of the competition. This may mean that a proposal that scores less than yours is successful.

Project Costs and Funding

Why is this grant match funded?

- This competition provides public grant funding for R&D projects, with total project costs of up to £500,000. Because of the breadth of the competition and the nature of the activity being funded, it must be delivered as grant funding and comply with UK subsidy control rules. This means organisations are required to contribute match funding towards their project costs. We have set this contribution at the lowest level allowed under the rules, with lower match funding rates for micro and small organisations.

When does the (up to 30%) match need to be in our account?

- You need to ensure that you have appropriate cash flow in place to fund the project, as Innovate UK grant payments are made in arrears.
- If your application is successful, Innovate UK will carry out financial checks to help ensure that taking on the project does not place your organisation at risk of financial difficulty.

Does this funding effect EIS or SEIS eligibility?

- No this funding as no impact on EIS and SEIS eligibility

Project Costs and Funding (continued)

■ What does match funding mean?

- Match funding means that Innovate UK funds a proportion of your eligible project costs, and you are responsible for funding the remaining proportion.
- For example, if your funding rate is 70%, Innovate UK will reimburse 70% of your eligible incurred costs for each claim period. You would need to cover the remaining 30%.
- Funding is paid in arrears. This means you must incur and claim eligible project costs first, usually each quarter, and Innovate UK will then pay its agreed contribution.
- This is not the same as in-kind match funding. The match must relate to eligible project costs that are incurred, claimed, and evidenced through the grant process.

■ Can the match funding come from Investors, Collaborators, Directors Loan, Bank Loan, Other public funding?

- How you fund your organisation's contribution to the project is a matter for you. However, this contribution cannot be met through other public funding.
- Innovate UK grant funding can only be used to support eligible project costs at the agreed funding rate and cannot be used to match or duplicate funding from another public source.

Project Costs and Funding (continued)

- **Can I claim project costs that were incurred before the project officially started?**
- This funding is for eligible direct costs incurred during the project period. It cannot be used to fund costs retrospectively, or to cover activity that took place before the project start date.
- **Can you define commercial readiness in 12 months?**
- At least one of the project outcomes should be in the market, generating revenue, or available as a public beta within 12 months of the project ending.

Project Finance

Is this grant 100% funded by IUK?

No, as a solo or lead organisation you can get funding for eligible project costs of:

- up to 70% as a micro or small organisation
- up to 60% as a medium sized organisation

Application Process and Timeline

- **What is the timeline?**
 - Applications must be submitted by - **11th August 2026, 11am**
 - You will be notified of how you've done – **October 1 2026**
 - Your project should start no later than - **1 January 2027 and end before 31 December 2027**
- **If we're successful, will the grant be paid up front?**
 - No, If successful, your grant will be paid quarterly in arrears

Application Process and Timeline (continued)

Can previously unsuccessful applications be resubmitted?

- No, in this competition no previous submitted applications can be resubmitted.

How do I access Reasonable Adjustments support?

- We recommend you contact us at least 15 working days before this competition's closing date to allow us to put the most suitable support in place. The support we can provide may be limited if you contact us close to the competition deadline.
- You can contact Innovate UK by email on support@iuk.ukri.org or call 0300 321 4357. Our phone lines are open from 9am to 12pm and 2pm to 5pm UK time, Monday to Friday (excluding bank holidays).

If we are successful, can you clarify when the project can start?

- You can start your project once you're received your grant offer letter or no later than 1st January 2027
- <https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/general-guidance/what-happens-if-you-receive-a-funding-offer/#contents-list>

Collaboration & Partnerships

Can universities be subcontractors?

- Yes, they can also be project partners. As a subcontractor they will be funded via the partnering at that organisation match funding rate (max. 70%) as a partner they will be funded at 80% full economic costs.

Can you clarify the cost allocation between partners?

- Subcontractor costs must not be more than 50% of the total project costs.
- Research organisations undertaking non-economic activity as part of the project can share up to 30% of the total eligible project costs

Can partners who will not be receiving the funding participate in the project?

- Yes, non-funded partners can participate this the project.

Business Type

- **Can charities or CIC's apply?**
- No, **not as a lead** but they could be a collaborator, the lead applicant must be a private limited business, or LLP, registered with Companies House. Charities and CICs can however collaborate in up to three applications
- **Can CICs apply if they trade commercially?**
- No, **not as a lead** but they could be a collaborator
- **Can you define a Micro, Small and Medium Business?**
- Micro - up to 10 employees, up to £1m turnover
- Small - up to 50 employees, up to £15m turnover
- Medium - up to 250, up to £44m turnover

Business Type

- **What project themes would you fund?**

- The project needs to be within the Frontier Sectors.
- video games
- advertising and marketing
- film and TV
- music, performing and visual arts
- If you're unsure if your project meets the scope you are encouraged to email the Innovate UK with a short paragraph explaining your project to check if it is in scope ahead of writing your application. Please email support@iuk.ukri.org and cc creative@iuk.ukri.org.

- **How do we demonstrate high-growth potential?**

- In your application you need to demonstrate that through the development of your project you can access a large market in such a way that you believe you will be able to substantially increase your revenue and/or increase your team size.
- **Are projects with >50% international revenue eligible?**
- Yes. To demonstrate high-growth potential, we would expect applicants to show that a significant proportion of future revenue could come from overseas markets.

Subcontractors

Can you clarify the proportion of subcontractors costs allowed?

- Subcontractor costs must not be more than 50% of the total project costs.
- All subcontractor costs must be justified and appropriate to the total eligible project costs.

By subcontractors, do you mean freelancers?

- Yes, anyone working on the project who is not an employee on PAYE
- Subcontractors can be from anywhere in the UK and you must select them through your usual procurement process.

Are international subcontractors allowed?

- You can use subcontractors from overseas but must make the case in your application as to why you cannot use subcontractors from the UK.
- You must provide a detailed rationale, evidence of the potential UK contractors you approached and the reasons why they were unable to work with you. We will not accept a cheaper cost as a sufficient reason to use an overseas subcontractor.

Projects

- **Can we apply if we previously got Creative Catalyst funding?**
- Yes, your CR&D project doesn't need to be related to your Creative Catalyst project, but it could build on work you did as part of that project
- **Can we apply if we are currently delivering another Innovate UK funded project?**
- Yes
- **Must the project support collaboration?**
- Projects don't need to be collaborative, collaboration is optional
- **What is 'Industrial Research'?**
- This means planned research or critical investigation to gain new knowledge and skills. This should be for the purpose of product development, processes or services that lead to an improvement in existing products, processes or services.
- It can include the creation of component parts to complex systems and may include prototypes in a laboratory or environment with simulated interfaces to existing systems, particularly for generic technology validation.

Projects

- **What is meant by “Createch” in this competition?**
- Createch refers to the application of advanced digital technologies to create new products, services, experiences, and business models within creative industries. The competition is specifically focused on Createch innovations with strong commercial potential.
- **What stage of innovation should the project be at?**
- Projects should be beyond the initial idea or proof-of-concept stage but not yet fully commercialised. The funding is intended to help businesses undertake industrial research that de-risks future investment and accelerates growth.

Project Finance

- **Is marketing an eligible cost?**
- You can produce innovative marketing products or tools as part of this project
- You cannot pay for the marketing of those products or tools
- All eligible costs for the lead organisation are listed here:

<https://www.ukri.org/councils/innovate-uk/guidance-for-applicants/costs-we-fund/>

- **Will Innovate UK fund business-as-usual activity?**
- No. Projects must demonstrate significant innovation and R&D activity. Routine product development, operational improvements, marketing activities, and standard commercial delivery are unlikely to be eligible

Scope

- **What evidence should applicants provide about the market opportunity?**
- Applicants should demonstrate:
 - A clear customer need.
 - Market demand.
 - Commercial scalability.
 - Potential economic impact.
 - A route to adoption and growth.
- The Next Wave programme is designed to support innovations with strong market pull and commercial potential.
- **What would be considered out of scope?**
- Projects are likely to be out of scope if they:
 - Do not support the Creative Industries
 - Focus primarily on commission content production.
 - Do not involve industrial research.
 - Are not developing a commercial digital platform or service.
 - Are not aligned with the Frontier Industries.
- List of what we will not fund here-
- <https://apply-for-innovation-funding.service.gov.uk/competition/2517/overview/6ff2066d-4639-44e6-bb4f-ce7099222739#scope>

Application

Late submissions

You will not be able to submit an application after a funding opportunity closes. We encourage you to review your application before the closing date to ensure that it is complete and accurate before you submit.

- **Generative artificial intelligence (AI)**
 - Use of generative AI tools to prepare funding applications is permitted, however, caution should be applied.
 - For more information see our policy on the [use of generative AI in application and assessment](#).
- **Application amendments**
 - We will not consider any requests to amend your application after it has been submitted on the UKRI Funding service.
 - We encourage you your organisation to review your application to make sure it is complete and accurate before submission.

Further Support

If you're uncertain about your eligibility you should contact us before you start an application

All questions about the competition should go through the Innovate UK Customer Support Team

- **Email:** support@iuk.ukri.org
- **Call:** 0300 321 4357

phone lines are open from 9am to 12pm and 2pm to 5pm, Monday to Friday (excluding bank holidays)