



UK Defence Innovation

Regional Defence &
Security Clusters and
UKDI:
Building Stronger, More
Diverse Supply Chains

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OFFICIAL

The Strategic Context



UK Defence Innovation

By 2035, UK Defence will be a leading tech-enabled defence power, with an Integrated Force that deters, fights, and wins through constant innovation at wartime pace.

Strategic Defence Review 2025



Innovation at Wartime Pace

Innovation Tourism is over. Prototype-warfare is the standard. We need technology from wherever it exists — not just the traditional defence supply chain



Dual-Use is the Strategy

The fastest route to Defence capability runs through civil technology. UKDI actively seeks SMEs re-purposing existing commercial innovations for Defence use



Federated Local Delivery

RDSCs are UKDI's primary engine for reaching SMEs and non-traditional suppliers. UK Industry sits at the heart of this — rich in sectors with direct dual-use potential

UKDI's Current 5 Priority Themes



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Each theme is a door open to SMEs with dual-use technology — you don't need to be a traditional defence company



Protection

Force protection
· CBRN ·
Survivability

Dual-use entry:

- Advanced materials from aerospace & med-tech
- Semiconductor design
- Sensor research and development



Autonomy

UAVs · UGVs ·
UUVs ·
Swarm tech

Dual-use entry:

- AgriTech drone operators
- Marine autonomy from offshore energy



Decision Advantage

AI/ML · Cyber ·
C2 ·
Communications

Dual-use entry:

- Fintech & data analytics firms
- Cyber sector
- Digital health AI platforms



Logistics & Support

Supply chain ·
Maintenance ·
Medical

Dual-use entry:

- Life sciences
- Logistics
- Port infrastructure



Effects

Directed Energy
· Electronic Warfare · Fires

Dual-use entry:

- Civil Test Sites
- Renewable energy power electronics for DEW

Dual-Use Opportunity



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Your existing technology is already defence-relevant — UKDI and the RDSC Network are how you unlock that

Sectors with Dual-Use Potential



Aerospace & Advanced Manufacturing

Structural composites → armour · Precision eng → weapons systems · MRO → battlefield maintenance



Medical Devices & Life Sciences

Trauma diagnostics → combat casualty care · Drug delivery → CBRN countermeasures · Wearables → soldier monitoring



Digital, Cyber & Fintech

Fraud detection AI → threat pattern recognition · Secure comms → C2 hardening · Data platforms → decision advantage



Energy & Renewables

Power electronics → directed energy weapons · Battery tech → unmanned platforms · Grid resilience → forward ops



Marine & Maritime Tech

Subsea sensors → mine detection · Autonomous vessels → ISR platforms · Port tech → logistics & resupply



Agri-Tech & Environmental

UAV crop-spraying → loitering munitions · Remote sensing → battlefield ISR · Biotech → CBRN detection

How the RDSCs and UKDI Bridge the Gap



1. You are found

RDSC and UKDI Innovation Partners actively reach into alternate UK Industrial sectors — you don't need to know the defence world to get started



2. The door opens

RDSC translates your technology against the current Defence problem statements. We articulate the military need you didn't know you could solve



3. Demand meets supply

UKDI competitions alongside Venture Builder finance and Supply Chain Development give you a route to a paid contract — not just a conversation



4. Your tech goes further

From local workshop to operational capability. The dual-use pathway means you keep your civil market while adding Defence as a customer

The RDSC Model: Why It Matters



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The Triple Helix Model



Industry Anchors

MOD strategic suppliers, primes & integrators — providing access, demand signals, and supply chain pull-through for SMEs



SME Agility — including dual-use innovators

Not just traditional defence SMEs. Firms from energy, digital, life sciences and beyond — bringing fresh thinking and civil-proven technology



Academic Insight

Universities and RTO's providing research depth, talent pipelines and validation that bridges civil and defence domains



Local, Combined Authorities & Devolved Government

Devolved Government, Combined Authorities and Councils enabling infrastructure, growth funding and reinvestment of the Defence Dividend into UK communities

What the RDSCs Deliver



Active sector outreach

Reaching into aerospace, energy, digital, marine & life science communities — not waiting for suppliers to find us



Technology translation

Helping non-defence SMEs understand how their existing IP maps to the UKDI Themes and live military problems



Funded pathways, not just introductions

Connecting SMEs to UKDI competitions, UKDI funding rounds and Venture Builder finance for a real commercial outcome



Growth without losing your civil market

Dual-use means adding Defence and National Security as a customer — not abandoning what you already do. Export and cross-sector doors open too

The DIP Confirms UKDI's Mandate



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The 2026 Defence Investment Plan gives UKDI a level of public specificity it hasn't had before — funded, governed, and measured against a published KPI.

The Defence Investment Plan 2026



The Defence Investment Plan

Equipping our forces,
defending our future

2026



Funded and Governed

£400m/year ringfenced, totalling £1.6bn by FY29/30. Full Operating Capability is 1 July 2026. A new DG Innovation role will manage both UKDI and DSTL



Three Core Strategies

Market Transparency & Industry Access, Dual-Use Tech Acceleration, and Private Investment — including 'Defence Unicorns' for new entrants



Backing British Industry

94% of contract value since July 2024 has gone to UK-based firms, within a plan creating nearly 60,000 new UK jobs by 2029/30

The DIP Mapped to UKDI's 5 Priority Themes



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How the Government's £298bn Defence Investment Plan funds each theme — and where the investment is strongest



Protection

DIP Investment:

- IAMD: £790m+ (Sky Sabre, DragonFire)
- Counter-drone: £750m+ (PRESAGIUM for RAF)
- Counter-CBRN: within £1.7bn
- Underwater infrastructure: £330m+



Autonomy

DIP Investment:

- £5bn+ — the single largest DIP theme
- New Uncrewed Systems Centre, Swindon
- Hybrid Navy fleet: £1.3bn+
- Collaborative Combat Aircraft: £300m



Decision Advantage

DIP Investment:

- Digital Backbone & Targeting Web: £7.5bn
- MIS Intelligence: £880m ISR
- Cyber & ECM: £2.5bn (including CRENIC)
- Geospatial & imagery exploitation



Logistics & Support

DIP Investment:

- £2.9bn now, £3bn+ more to 2035
- A top-3 driver of retention
- Entry points: medicine, logistics, sea lift
- Counter-CBRN: protection & decontamination



Effects

DIP Investment:

- Weapons & Munitions: £11.1bn
- Stratus £1.4bn, Directed Energy £490m
- Deep Precision Strike (Germany): £770m
- 6 new UK energetics factories by 2030

Investing in Novel Technology



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By FY29/30, at least 16% of the annual Equipment Programme will fund novel technologies — AI, autonomy, cyber, space and beyond — up from 12% today.

The Defence Investment Plan 2026, Table 15

Category	FY26/27	FY27/28	FY28/29	FY29/30
AI and autonomy	£380m	£700m	£1.2bn	£1.3bn
Uncrewed Systems	£330m	£340m	£220m	£160m
Novel Weapons	£280m	£330m	£350m	£350m
Cyber	£150m	£220m	£230m	£190m
Space	£30m	£80m	£110m	£200m
Other	£910m	£890m	£980m	£1.1bn
Total	£2.1bn	£2.6bn	£3.1bn	£3.2bn
% of Equipment Procurement	12%	12%	15%	16%

UKDI: A Transformative Investment



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The DIP names UKDI directly among its most transformative investments — embedding innovation across Defence and equipping the Armed Forces with new capability.

The Defence Investment Plan 2026, Section 3.3



Real Problems, Fast

UKDI works with startups, scaleups and academia to deliver front-line ready capability — the Rapid Innovation Team tackles real problems at wartime pace



Future Priority Areas

AI, robotics & autonomy, enhanced weapons, space-based capabilities, cyber & electronic warfare, quantum, and engineering biology



£13bn+ Committed to 2035

Between 2030 and 2035, at least £13bn more is planned — with UKDI as Defence's focal point for innovation and DSTL its centre of science and technology expertise

What the DIP Means for RDSCs



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Growth & Market Access



Backing UK Industry

94% of contract value since July 2024 has gone to UK-based firms — supporting nearly 60,000 new jobs by 2029/30



Open Door for New Entrants

‘Defence Unicorns’: up to £100m over 4 years in accelerated contracts for firms with little or no prior MOD business



SME Spend Up 50%

Defence Office for Small Business Growth: an extra £2.5bn with SMEs by 2028, reversing the recent decline in SME share



Private Capital Joining In

The British Business Bank, the National Wealth Fund and a new Investors’ Advisory Group are now backing dual-use SMEs

Why It Matters for You



A 10-Year Demand Horizon

£298bn over four years, rising to 3.5% of GDP by 2035 — this is sustained demand, not a one-off spending spike



Cluster alignment with Defence Growth Deals

£250m across five Defence Growth Deals — Plymouth, South Yorkshire, Scotland, Wales, Northern Ireland — anchoring regional specialisms



Faster Routes In

Six new Commercial Pathways are live, with 300+ procurements already using a faster route since the SDR



A Live Marketplace

A Test and Evaluation marketplace launches in 2026, connecting suppliers directly to facilities and capabilities

What UKDI Needs from Industry



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DPRTE is a two-way engagement event. Here is the ask — by audience



If you are a Prime or Integrator

- ✓ Become an Industry Anchor in your regional RDSC — your demand signal is what drives cluster outreach into civil sectors
- ✓ Share problem statements with your RDSC, not just with established Tier 1 suppliers — widen the aperture
- ✓ Invest in dual-use SMEs discovered through the RDSC network — co-fund, mentor, and pull through into your supply chain — (DTEP)
- ✓ Tell UKDI what capability gaps you cannot fill through current procurement routes — that is what the Themes are built around



If you are an SME or Non-Traditional Supplier

- ✓ Join your regional RDSC — it is free, and the Innovation Partner will map your technology to a live problem statement
- ✓ Monitor the Defence Sourcing Portal and UKDI Website and compete — UKDI competitions are open to all UK firms, not just established defence suppliers
- ✓ Do not wait to be 'defence ready' — the RDSC translation layer exists precisely to help you enter before you feel qualified
- ✓ Think about Defence as an additional customer, not a career change — your civil IP stays yours throughout

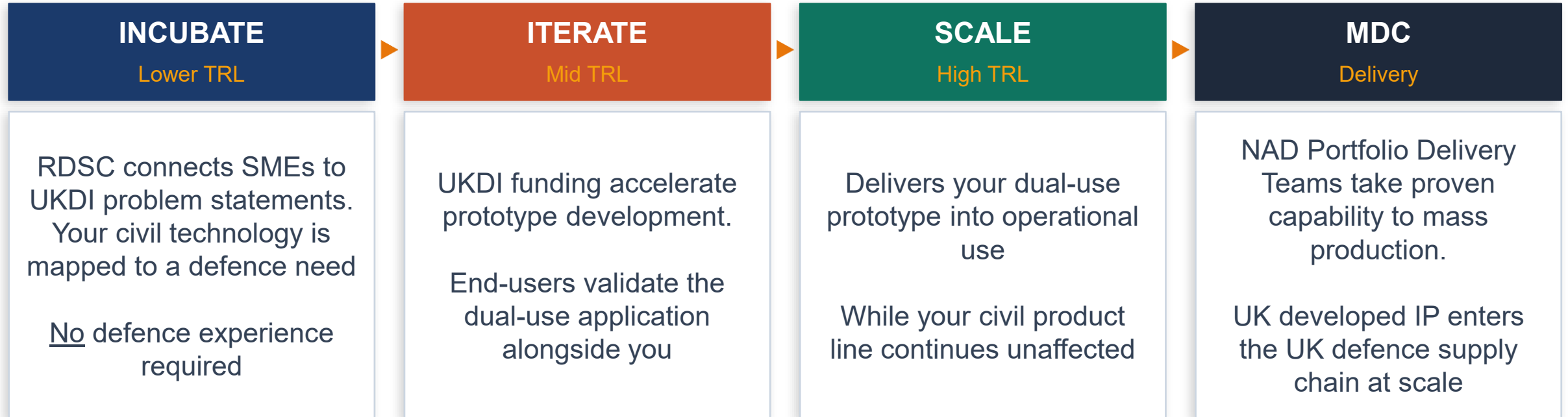


If you are from Academia or a Catapult

- ✓ Engage with your regional RDSC Triple Helix — universities are a structural component, not an afterthought
- ✓ Position dual-use research outcomes as RDSC inputs — your spinout pipeline is part of UKDI's supply chain strategy
- ✓ Support SMEs in your region through the competition process — technical validation improves bid quality significantly

The Innovation Pathway: From Workshop to Frontline

UKDI's Innovation Progression Model — your local RDSC is your on-ramp to defence



What this means for a SME with dual-use technology:

- ✓ You submit an idea, a product, a process that might have a defence application
- ✓ The RDSC helps you articulate the problem statement, collaborate and identify the right MOD funding route
- ✓ You retain your IP and your civil customers throughout — Defence is additive, not disruptive
- ✓ By MDC, your technology is embedded in UK defence — delivering scale, revenue and national impact



Think RDSC. Innovation. Defence.

Your technology already has a likely defence application. Let's find it together.



Dual-use is not a compromise — it is the strategy. UKDI is actively looking for SMEs with civil technology ready to be re-purposed for Defence.



The RDSC is your open door. Free membership. Real demand signals. An Innovation Partner who will help you understand how to translate your technology into a funded opportunity.



The Defence Dividend is real and it belongs to UK Industry. Join us in building the innovation pipeline that delivers it — for your business, your community, and national security.



Questions?

Contact us



www.gov.uk/UKDI



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