



**Meeting of the Innovate UK Council
Wednesday 10th February, 2021
Summary of meeting**

The Chair welcomed Council members to the meeting. Council members elect, who joined the meeting as observers, introduced themselves. They will formally join the Innovate UK Council in April. Apologies from were received from Arnab Basu. The Council was deemed quorate. Declarations of Interest were reported.

Executive Overview

Highlights from the Executive Report were discussed. The organisation is operating well in terms of BAU and the Covid-19 business support package. Loans are currently operating with very high demand. Council were pleased that staff engagement continues at a high-level despite lockdown.

Innovate UK Edge is progressing well, providing support to businesses. A new subsidy control system is in place from this year, replacing State Aid. Council were keen to understand plans to ensure that SMEs can engage with primes and their supply chains through other programmes now that funding previously available through the European Innovation Council (EIC) Accelerator is no longer available.

Official Development Assistance budgets remain unknown, a settlement is expected imminently. The NAO have published their value for money report for ISCF ahead of a Public Accounts Committee on the 4th March. The report is very encouraging, and recognised improvements made as the fund matures.

Mike Biddle, Ottoline Leyser and Minister Amanda Solloway appeared before the House of Commons Business Energy and Industrial Strategy Select Committee on Tuesday 26th January. ISCF was one of the discussion topics. The House of Lords Science and Technology Committee's report on Catapults aligns well with the draft recommendations of the BEIS Catapult review.

Verbal update on UKRI discussions

The Chair gave an update on the UKRI Board meeting, held on the 19th and 20th January where spending decisions for 2021/22 announced in November 2020 were considered.

2021-22 Innovate UK Budget Planning

Council were apprised of the current Core portfolio, potential Spending Review and Plan for Growth outcomes. Council agreed to maintain programmes as fully as possible through the £490m Core programme envelope, recognising that there are some uncertainties of what this funding will cover.

Council were pleased that Innovate UK had swiftly progressed potential projects to be funded through the New Venture Fund (NVF) (a centrally held fund available for Government departments for new ventures), involving industry as well as government departments in our plans.

UKRI Commercialisation Programme update

UKRI's Director of Commercialisation gave an overview of progress with the UKRI Commercialisation workstream, which operates across the Research Councils, Research England and Innovate UK. Through the UKRI Commercialisation Coordination Group all UKRI Councils have the opportunity to support commercialisation of public sector research; to facilitate bringing new or improved technologies, products, processes and services to market.

Council understood the need to raise the profile and broaden acceptance of commercialisation and translation across the UKRI Councils, whilst simplifying funding and providing a continuum of funding programmes across UKRI which address the gaps and barriers to commercialisation. It was agreed that much is to be done to ensure culture change across the Councils and academia, supporting work within universities which is genuinely collaborative and creating appropriate measures of successful commercialisation.

Closed Council Session

A closed session was held for Council members only.

UKRI HR Operating Model, plans for Talent and Pay Harmonisation

Sue Donaldson, UKRI's Chief People Officer and Helen Kershaw, UKRI's HR Transformation Manager, presented plans for UKRI's Target Operating Model and outlined the benefits. The proposed plan will separate day-to-day transactional HR and strategic support for senior leaders in each of the nine councils to address talent management, workforce planning and strategic projects. Additionally, there will be HR centres of expertise in areas such as policy and reward and inclusive culture wellbeing and engagement, which will be available when Councils require specific capability.

Council recognised the need to reduce duplication across UKRI and agreed that the operating model looked logical, however were concerned about Innovate UK gaining the flexibility needed to recruit and operate in different markets from the rest of UKRI. Members sought assurance that the organisation would retain its focus on staff engagement and agility through the new operating model.

KTN Strategy Development

The KTN has recently launched a new identity and a new strategy, which was described by Alicia Greated, CEO of the KTN, and Jon Kingsbury, Director of Strategic Development. Council were keen to know how the KTN navigates to people who wouldn't naturally make contact. It was agreed that communications and ongoing global reach is massively important.

Effects and impacts of Covid-19 on businesses – what are Council members hearing?

Council members shared their thoughts and reported evidence of how the pandemic is currently affecting businesses, how organisations are coping and opportunities for helping innovative businesses further.

Verbal update on Innovation Strategy

Development of the five-year Innovation Strategy for business continues; feedback has been overwhelmingly positive. Publication will dovetail with a number of expected reports and is pending the endorsement of Innovate UK's future Executive Chair.

AOB

- **Council Effectiveness Review**

Council were thanked for their views and involvement in the Council Effectiveness Review. It was agreed that more frequent, shorter Council meetings are held with little or no advance reading.

The formal minutes of this meeting will be approved at the Innovate UK Council meeting on March 2nd 2021.