



Meeting of the Innovate UK Council

Wednesday 31st March, 2021

Summary of meeting

The Chair welcomed Council members to the meeting, which was deemed quorate. The minutes of the previous meeting, held on March 2nd, were deemed accurate and approved.

The Chair thanked Baroness Brown, Arnab Basu and Stephen Welton, who complete their membership of the Council. Tunde Olanrewaju, Chris Ganje, Caroline Plumb and John Gibson will become full members of the Council from April.

Executive Overview

Council were pleased that grant holders affected by the cuts in ODA funding had been asked for feedback. Where possible reprofiling will take place to continue these projects.

Council appreciated the work done to increase awareness of Horizon Europe both in the UK and in Europe, with associate countries. Council agreed that more effort is needed to highlight the programme, and would welcome a marketing campaign to raise awareness.

No definitive decisions have been made on budget allocations. Funding allocations are particularly acute in the challenge areas, with a 10% budget reduction for the next fiscal year expected. Cutting challenge budgets or delaying challenges remains a possibility. Council were pleased that UKRI have provided an indicative flexible allocation where underspends for this year can be redeployed into next. Ongoing dialogue with BEIS and Treasury attempts to secure a favourable final outcome.

Progress with the innovation strategy was noted. Much work is being undertaken to produce a BEIS innovation strategy, which was mentioned in the Plan for Growth, this will also be published in June. Innovate UK is embedded in the eight pathways and collaborating with the BEIS team producing the document. The strategy for business innovation, which is being produced by Innovate UK has been shared with BEIS. The BEIS strategy will state that Innovate UK's strategy is a companion document to their strategy. BEIS are also producing a national space strategy, also to be published in June. Council noted Innovate UK's involvement and support in developing this strategy and its implementation going forward.

Council were pleased that a virtual awayday was held in February focussed on wellbeing and in particular improving sleep.

Verbal update on UKRI discussions

Discussions at UKRI board level have mainly focussed on allocations and ongoing negotiations. The forthcoming Spending Review in Autumn will provide a focus for Government thinking about the UK R&D landscape and is a huge opportunity for UKRI.

ACE update

Council were presented with a brief update on the Accelerating Customer Excellence (ACE) project and the four key pillars: People and Culture; Application Management; Funding Assurance; and, Impact Management. The programme is designed to enhance the way the organisation operates by introducing uniform and robust systems, policies, processes and ways of working. It will enable Innovate UK to operate as a truly customer-centric organisation.

The programme which was initiated in Autumn 2019 is now 60% complete, supported by 1/3rd staff from across the organisation, it drives efficiencies through improved technology and processes to alleviate operational pressures. The steering board is confident that the project will deliver as planned within the next 9 months. Already automated invoicing for assessors and monitoring officers has been implemented, meaning that they are paid more efficiently.

Organisational Culture update

The implementation of cultural change principles is one of the pillars of the ACE project. Council heard how the programme, which is based on staff engagement and feedback, empowers everyone to innovate, make appropriate decisions, be successful at Innovate UK by putting the customer at the centre of what they do.

Council discussed how organisational values could be embedded by rewarding staff for exhibiting the principles and by seeking and giving feedback on a more regular informal basis. It was recognised that it will take time to embed the principles and behaviours, which are intended to be refreshed over time. Council were pleased that uptake of Unmind, a wellbeing app being piloted across Innovate UK, had been well received with a 50% uptake and continuous usage amongst staff.

CSR / New Ventures Fund

The New Ventures Fund (NVF) was announced in November to provide £300m support fast-growing technologies across Government. Around 209 ideas have been whittled down to a top 10. These have been now put on hold pending funding and will be rolled forwards into thinking for the CSR. Council were pleased that the internal CSR process has begun.

Closed Council Session

A closed session was held for Council members only.

Professor Dame Ottoline Leyser

Council were joined by the UKRI CEO, Ottoline Leyser who outlined her thoughts on the research development and innovation ecosystem. She felt that the opportunities for innovation are currently extraordinary, this was shown through the organisation's Covid-19 response and through the cross-organisational ISCF, which has fostered high-quality relationships across the Councils and new networks. She strongly believes that many benefits within the research and innovation system can be captured and enjoyed if the system fosters collaboration, something which she wants to improve during her tenure as CEO.

Tera Allas - The potential for Innovation Policy within the UK

Tera Allas, Director of Research and Economics at McKinsey's United Kingdom and Ireland Office, joined Council to discuss UK innovation policy. She outlined how innovation is critical to prosperity

but R&D is only part of the story, UK's comparative performance is mixed and partly driven by industrial structure, more systematic policy changes may be needed. She believes that both new product and process innovation policy needs to be joined up with business support and productivity, to maximise the welfare for people.

Shared Success Model

Innovate UK is exploring options for sharing in the success of businesses supported through various funding and support activities; and, or receiving compensation when IP generated with Innovate UK support is lost overseas. The model would provide better value for the tax payer and would provide further help to commercialise innovation.

AOB

Council mentioned that when appropriate, and when travel and meeting restrictions caused by the pandemic allow, it would be useful to visit Catapult sites again. Having a presentation from a hosting Catapult would be a useful addition to meeting agendas.

The formal minutes of this meeting will be approved at the Innovate UK Council meeting on May 4th 2021.