

## **GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

SUBJECT: Innovation GM Update

DATE: 15<sup>th</sup> December 2020

FROM: Chris Oglesby

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### **PURPOSE OF REPORT**

This report provides an update on the development of Innovation Greater Manchester (Innovation GM)

### **RECOMMENDATIONS**

The LEP Board is asked to:

- Consider and provide any feedback on Innovation GM's development
- Delegate responsibility to the interim chair of Innovation GM, in consultation with the GM LEP, to appoint an interim science advisor to provide additional capacity and advice to support its development
- Endorse the proposal to work with MIDAS and other local partners to undertake outward-facing engagement activity from the new year including the set up of a public-private leadership group

### **EQUALITIES IMPLICATIONS**

The business case in development to establish Innovation GM (referenced in this report) will consider how different people who can bring a diversity of ideas, knowledge, and perspectives, will input and can benefit from this programme.

### **CLIMATE CHANGE IMPACT ASSESSMENT AND MITIGATION MEASURES**

Innovation GM is not expected to result in any direct negative impacts on climate change. The programme if agreed and set-up would support the reduction of carb emissions across Greater Manchester through business-led r&d and innovation

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## 1. INTRODUCTION

- 1.1 The coronavirus pandemic has brought a global reappraisal of economic priorities, putting people and the planet first.
- 1.2 In November 2020 the Greater Manchester economic vision was launched, setting out the city-region's priorities to build a Greater Manchester and in turn a Greater Britain. Building on our frontier sector strengths in advanced materials, green growth, health innovation and digital and creative, Greater Manchester is now poised to lead UK economic recovery with a plan for innovation, green growth and addressing inequalities.

### *Innovation Greater Manchester*

- 1.3 To deliver government's ambitions for levelling-up and global Britain, the UK needs a national engine of growth at the heart of the Northern Powerhouse that can drive its economy in the same way that London does for the South East, and play a full role in the UK's aspiration to be a science superpower, where Research & Development (R&D) and innovation leads to broad based national prosperity.
- 1.4 Innovation GM is an ambitious plan to create a new place-based partnership, led by businesses and entrepreneurs, to build on GM's existing R&D assets and local delivery capacity to drive innovation-led growth across all of the city-region's diverse towns and cities.
- 1.5 The Innovation GM model focuses on building capacity and investing in our places, people, and assets to create new clusters of growing businesses across the whole conurbation as follows:
  - Investing in our places - fostering emerging and continuing to support established innovation zones across Greater Manchester's vibrant mix of city and town centres, and manufacturing innovation parks. Innovation zones will be places where businesses can cluster, access the support they need to grow, and can act as magnets for inward investment
  - Investing in our people - boosting the skills and entrepreneurial spirit of local people so the city-region becomes a leading place to attract, develop, retain, and retrain talent. Boosting the leadership and technical skills within businesses is key to building their capacity to invent, commercialise their inventions, and absorb proven innovations from related industries
  - Investing in our assets - prioritising investment in to assets that enable businesses to innovate and grow and that are aligned to a. GM's strategic innovation zones and b. Greater Manchester's established globally leading strengths in advanced materials & manufacturing, health innovation, digital & creative, and (c) seizing the opportunities of the transition to a low carbon economy.
- 1.6 It will work closely with skills, business support, the Good Employment Charter, and infrastructure system leads to ensure we collectively put the distinct growth opportunities of places at the heart of Innovation GM.
- 1.7 Underpinning this approach is the aspiration to unlock a truly flexible fund that enables local areas to take action and invest in the particular growth opportunities of their places and communities.

## **2. PROGRESS MADE TO DATE**

- 2.1 In readiness for the Comprehensive Spending Review (CSR) an Innovation GM prospectus was co-developed with local stakeholders and coalesced around the priorities outlined earlier in this report. The prospectus and submission to the CSR outlined the opportunity for an innovation deal that could be co-created with Government and underpinned by a set of outcomes. A series of engagements with Government officials underpinned more formal submissions.
- 2.2 The planned Comprehensive Spending Review was replaced by a shorter-term Spending Review, and as such did not set out the opportunity to work with Government to further develop and agree an Innovation Deal.
- 2.3 The Spending Review announcements did reaffirm the Government's commitment to boosting research and development spending as a route to boost the UK's global competitiveness. Aligned announcements to changes to the Treasury Greenbook appraisal method, and the confirmation of a forthcoming Levelling Up Fund and Shared Prosperity Fund, also offer opportunities to explore how to develop business cases for public funding in line with Innovation GM priorities.
- 2.4 It is also worth noting that the Government's research and development and place strategy will be published early in 2021. This is expected to outline how place-based research funding can achieve best impact through better ways of working with local between local and national bodies. Professor Richard Jones, chair in Materials Physics and Innovation policy at the University of Manchester, is represented on the ministerial advisory group for this forthcoming strategy.

## **3. NEXT STEPS**

- 3.1 The opportunity to drive broad based economic prosperity through innovation remains a priority for Greater Manchester, reaffirmed in the recently published future economic vision. As such Chris Oglesby GM LEP member, has been nominated as interim chair to further develop Innovation GM post-Spending Review.
- 3.2 To further develop a pipeline of investable propositions, GMCA officers working with Districts are further developing a pipeline of innovation zones covering cities, towns, and out-of-town manufacturing parks, building on existing and stimulating development of those emerging. One of the key objectives of these investible propositions is to build on, and enhance the economic impact of, excellence across Greater Manchester's universities. An enabling framework is also being developed with GM universities to ensure these opportunities for clustering and inward investment in town centres align to "what works".
- 3.3 A business case for Innovation GM, aligned to the new Treasury Greenbook appraisal method, is in development and will be brought to the LEP early in 2021. This will include clear objectives, key performance indicators, and governance and resourcing requirements, prior to a formal initiation.
- 3.4 Following on from this business case, outward-facing engagement, working with MIDAS and Marketing Manchester, is in development. This would include materials that articulate the opportunity and calls to action, as well as deeper discussions with the wider GM business community to get their ideas and ensure they shape priorities and membership.

- 3.5 In addition to providing an update on progress made against Innovation GM, a recommendation is being brought to the LEP to nominate an interim science advisor to engage stakeholders in, and to ensure evidence underpins the development of, Innovation GM.
- 3.6 Initial GMCA officer resourcing has been secured to support the interim chair to develop the business case and points noted above, however as well as this resource to develop the strategy and alignment with local investment, a key related action is to continue to engage stakeholders to make the case that Innovation GM can be a highly replicable model that puts the Government's place-based R&D and levelling up plans in to action.
- 3.7 The proposal is therefore to nominate an interim science advisor to support the set-up phase of Innovation GM, and to provide a senior individual to work in concert with the interim chair. The longevity of this role would be reviewed once Innovation GM is formally convened, and as an interim role it would be resourced through an in-kind commitment from an existing GM institution.
- 3.8 Finally, a recommendation is also being brought to the LEP for Innovation GM to undertake more external-facing activities from early 2021 and subject to completion of the business case referenced above. This would include engagement with the wider business community to shape its development and seek business advocates, and to set up a public-private leadership group to drive its implementation.

**APPENDIX**  
**Interim Science Advisor Brief**

- Alongside the interim chair, lead on external engagement with Government, businesses, and other relevant stakeholders, with an objective to strengthen the Innovation GM proposition and to make a robust, evidence-based case for a transformative Innovation Deal with Government
- Advise on development of mechanisms to provide independent assurance of investment priorities and decisions, involving but not limited to bringing together a network of independent experts to assess and review the Innovation GM portfolio of projects and developments
- Identify and advise on development of high potential projects and developments that translate the Innovation GM vision into action
- The role will have freedom to act but should report in to and maintain a close link with GMCA and the interim chair of Innovation GM and the SRO for this programme at GMCA, Simon Nokes.
- The role needs to be sufficiently senior to be able to represent GM to very senior stakeholders including ministers.
- The role will work across the whole of the Greater Manchester city-region and will therefore take account of the research excellence and opportunities across all of GM's higher education institutions and other public and private R&D assets.
- As an interim role it should be sourced and be resourced in-kind from an existing GM institution until such a point that the role is formalised and embedded in to the GMCA/LEP and Innovation GM structures and resourcing requirements