

## **GM LOCAL ENTERPRISE PARTNERSHIP BOARD**

**SUBJECT:** Innovation GM Update

**DATE:** 18<sup>th</sup> March 2021

**FROM:** Chris Oglesby

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### **PURPOSE OF REPORT**

This report sets out an update on Innovation GM and the ambitious plans 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

### **RECOMMENDATIONS**

The LEP is asked to:

- Note progress made to build the case for an Innovation Deal with Government
- Consider the suggested principles for a permanent chair and wider members of a future Innovation GM Board
- Comment on the proposal for an Innovation GM press release in March 2021 and a launch event proposed for June 2021

### **EQUALITIES IMPLICATIONS**

Innovation GM is a central feature of the GM Economic Vision which provides a blueprint for remodelling the city-region's economy. It includes a range of long-term initiatives to help businesses innovate more effectively and become more productive, creating a greener and more resilient Greater Manchester.

This includes a clear commitment to tackle inequalities, embrace diversity and recognise the importance of civil society with actions aiming to encourage diversity in company leadership, promote better health and wellbeing support and turn Greater Manchester into a living wage city-region.

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

As part of the Economic Vision, Innovation GM reflects the GM Local Industrial Strategy and its Clean Growth Mission while recognising the shift in attitudes among people, businesses and investors caused by the coronavirus pandemic. As such, it builds on GM's bold target of carbon neutrality by 2038 and will support Greater Manchester in driving the UK as a global leader in low carbon innovation.

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## **1. CONTEXT**

- 1.1 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.
- 1.2 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.
- 1.3 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.
- 1.4 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 innovation zones in our town centres and manufacturing parks, and networking these with established innovation zones across Greater Manchester and the wider region. 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 into 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.
- 1.5 Innovation GM 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.
- 1.6 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. LAYING THE FOUNDATIONS FOR IGM**

- 2.1 Led by Chris Oglesby as interim chair, a small executive team have developed a programme to translate our Innovation GM vision into action.

#### *Making the case*

2.2 As well as the R&D Place Plan that has already been confirmed for publication in Spring 2021, Government announced a forthcoming Innovation Strategy (Summer 2021) in the recent Budget. Innovation GM provides a blueprint for how a local-national partnership can deliver on our shared aims of levelling up through science and innovation by investing in places with potential. We propose that this can best be delivered through an Innovation Deal with places like Greater Manchester. LEP leads and officers will continue, through our Innovation GM model, to work with Government officials to lay the foundations for this kind of future approach.

2.3 Colleagues have continued to engage with local and national stakeholders to amplify our vision and lay the groundwork for deeper engagements ahead of the Government's R&D Place Plan, Innovation Strategy, and 2021 Spending Review. Some specific activities already completed include:

- Meetings with GM Leaders to build up our innovation ecosystem narrative, ensuring we connect in to local priorities
- A session with UKRI leaders to highlight Innovation GM as a blueprint for the R&D Place Plan
- Discussions with Government officials to understand the types of shared outcomes and ROI modelling needed for this to be a credible investable programme
- Submission to the Science and Technology Select Committee
- Engagement with think tanks and bodies who are acting a thought leaders in how to level up through science and innovation
- Discussion with MPs (scheduled)

#### *Resourcing*

2.4 In readiness for an Innovation Deal and as part of the work and funding to drive the Local Industrial Strategy we have identified core resources and begun to develop connections across innovation, skills, and place priorities.

2.5 At the last LEP discussion relating to Innovation GM, the group agreed to appoint an interim independent science advisor to work alongside the interim chair to translate the IGM vision in to action, and to continue to make the case to Government for an Innovation Deal.

2.6 Professor Richard Jones, co-author of NESTA's Missing £4bn Report, took this role up and brings an additional layer of knowledge and expertise, including deeper assessment and linkages with GM's scientific excellence. This blend of private sector, scientific, and civic leadership has worked incredibly effectively and is an arrangement IGM would formalise for the future.

#### *Developing our ecosystem*

2.7 Colleagues are connecting with all GM places, neighbouring LEP areas, and the GM and wider North West business community, to amplify our vision and create a network of innovation developments, programmes, and future priorities that collectively can unlock a high-performing innovation ecosystem at the city-region scale.

- 2.8 The Rochdale Advanced Machinery and Productivity Institute (AMPI) is an early example of the sort of things IGM would want to drive and make links across. Rochdale prioritised their Towns Fund to establish a physical AMPI presence in the north of the city-region, in partnership with the National Physical Laboratory, to unlock the beginnings of our Gateway North development. Over time we expect many more projects of this nature to be unlocked through the enabling role of Innovation GM.

### **3. FUTURE PLANS**

- 3.1 As a twin-track approach, whilst colleagues continue to make the case for a more transformational Innovation Deal, we propose to begin to work up structures and leadership roles to demonstrate there is aligned civic-business-scientific leadership in place to put this in to action.
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- 3.3 During this formation and set-up stage the lead should remain as a current LEP member to maintain strong links across priorities.
- 3.4 A business case to operationalise Innovation GM is in development and recommends that Innovation GM acts as connected group to the LEP, with strong links being maintained by the chair of IGM reporting directly to the LEP. This will enable the LEP to continue to focus on its wider portfolio of priorities, whilst enabling some focused and dedicated leadership around one of its key priorities of innovation.
- 3.5 This chair and the wider Innovation GM Board will be supported through strong links and networks to associated forums. Thematic discussions that connect with relevant leaders of related agendas will enable IGM to shape and enable a blended portfolio of projects and investment priorities that address the “vertical” opportunities within our frontier sectors and places, with the “horizontal” opportunities that cut across these such as access to finance and skills & talent development.
- 3.6 As a key next step, over the coming months a nationally significant individual, with credentials in science and innovation, will be sought to act as a permanent chair. In advance of this the LEP is asked to adopt the following principles to identify a chair and wider Board:
- a) Leaders in the field of innovation that are globally and nationally significant, and include a fair mix of individuals with a direct stake in GM as well as those that can act with a high degree of independence
  - b) A balance of expertise across the four domains of:
    - Industrial research and development
    - Place leadership
    - Scientific excellence
    - Financial instruments and access to finance
  - c) Majority of members being active in the private sector with a lead/deep knowledge of industrial research & development

- d) Expertise and leadership relating to GM's four frontier sectors, for example linking to the Graphene, Advanced Materials & Manufacturing Alliance (GAMMA) and the Healthy Ageing Innovation Partnership (IPHA)
  - e) Diverse membership that reflects the communities we seek to support
- 3.7 A specification for board members, which aligns to these suggested principles, is also outlined in appendix 1.

#### *Launching Innovation GM*

- 3.8 Alongside beginning to identify appropriate leadership and structures, it is proposed IGM works with MIDAS, Marketing Manchester, and other stakeholders on a press release in March 2020 that outlines our Innovation GM vision, as well as a launch event in June 2021, to align with wider re-opening of the economy and society.
- 3.9 This proposed launch event would bring together national and local business leaders with civic leaders, and think-tanks and Government/MPs with a strong interest in innovation and levelling up, for a big conversation. This would highlight the significant innovation activity going on in GM already, and GM's assets to support the Global Britain agenda as well as setting out our vision for the future to seek innovation investment to drive economic activity across all GM's towns and cities – linked to other Government agendas of Net Zero and Levelling Up. It would also provide a forum for consultation and the shaping of ideas based on the innovation challenges and opportunities our business community see.

#### **4. NEXT STEPS**

- 4.1 It is recommended that in order to move forward the Innovation GM vision, the LEP:
- i. Notes progress made to build the case for an Innovation Deal with Government
  - ii. Considers the suggested principles for a permanent chair and wider members of a future Innovation GM Board
  - iii. Comments on the proposal for an Innovation GM press release in March 2021 and a launch event proposed for June 2021

## APPENDIX 1

### Proposed operating model and person specification for Innovation GM Board

#### Introduction

Innovation GM is the city-region's programme to level up through R&D and business-led innovation. It aims to establish Greater Manchester (GM) as a national engine of growth at the heart of the Northern Powerhouse that drives the North's economy in the same way that London does for the South East. It will do this by focusing on:

- **Place:** creating a network of Innovation Zones that link labs to industry in city centres, town centres and advanced manufacturing parks so that Innovation GM has a presence and impact in every district in GM and across the North, with the symbiotic relationships between these Zones creating enhanced economic, social and scientific impacts.
- **Assets:** Developing GM's science and innovation asset base in its core strengths of advanced materials & manufacturing, health innovation, digital & creative, and low carbon and translating this into productivity gains and economic growth across GM and beyond, contributing to the government's target of raising the UK's public and private R&D intensity to 2.4% by 2027.
- **People:** Working with partners to ensure 'wrap-around' support is in place to connect people to opportunity by ensuring that people are trained for new opportunities, companies are supported to innovate and drive good employment, and place-making is linked to innovation.

Innovation GM will be led by businesses and entrepreneurs. It will be overseen and driven by a high profile Board made up of senior representatives from business, Further and Higher Education, and local government in GM, and representatives from national government, national research and innovation agencies, and international innovation experts. It will have a Chair with credible national and international experience.

#### How the Innovation GM Board will operate

The primary aim of the Innovation GM Board is to provide high level innovation leadership capacity to drive a new approach to, and culture of, innovation in GM, creating the platform for Innovation GM members to collectively drive change and progress in all parts of the city region and across the wider North of England.

The Board will be responsible for setting the strategic direction of Innovation GM, overseeing the development and implementation of its business plan and, as appropriate, taking delegated spending decisions. It will be formally accountable to the GMCA and LEP to ensure the synergies from GM's existing governance, strategic and delivery arrangements are maximised, including strong operational links to the Growth Company.

The core membership of the Innovation GM Board will be made up of between 10-15 members drawn from the full range of innovation stakeholders and representative of the diversity of GM's people and places. Board members will be selected to ensure that the board is balanced and representative and that all the required skills, talents and experience set out in the person specification are covered, including through open recruitment where appropriate.

The Board will operate in an open and outward facing way. It will take a proactive approach to bringing in the views, experience, and capabilities of non-Board members

from across all sectors, including through regular consultation and outreach and through the convening of both standing sub-groups and time-limited task and finish groups. These groups will draw on members from within and outside GM (nationally and internationally). Active links will also be developed with existing networks, support organisations, and business representative organisations. This approach will ensure Innovation GM has system-wide buy in for its strategy and plans.

### **Board member role**

The role of individual Board members will be to:

- Actively contribute to setting the strategic direction of Innovation GM, so that it becomes a trusted partner for national government and an international exemplar for regional innovation leadership.
- Champion a new culture of innovation across all businesses and places in Greater Manchester, opening up opportunities for all firms in all sectors and places in GM to be able to access the assets and support they need to innovate.
- Provide credible sectoral and place-based collaborative leadership as part of a diverse Board that represents key economic sectors, places, and a wide range of innovation stakeholders.
- Provide expertise and knowledge to enable Innovation GM to develop strategic plans and practical interventions to create a high performing innovation ecosystem in Greater Manchester that benefits the North and the whole of the UK.
- Inspire confidence in key innovation stakeholders (including businesses, universities, local and national Government, and UKRI) that Innovation GM understands the key innovation issues and opportunities facing the region and how these can best be addressed.
- Take the lead, provide strategic direction, and take responsibility for developing and delivering key areas of activity and working in partnership with stakeholders in Greater Manchester, the North and UK, and internationally, including by chairing sub-groups and task and finish groups.

### **Person specification**

Board members will need to be able to demonstrate that they have a good mix of the following skills, attributes and experiences (recognising that no individual Board member would be expected to demonstrate all of these points):

- An independent mindset – providing inquisitiveness, detachment and clarity in the development of strategy and the identification of opportunities.
- The ability to help develop, communicate and execute a clear strategic vision for Innovation GM.
- Strong links to the business community and the ability to build coalitions to leverage private sector involvement and create new partnerships with universities, public sector organisations, and other innovation stakeholders.
- Credibility with national innovation leaders, global companies, and other internationally-leading innovation ecosystems and the ability to create new mutually beneficial relationships.

- Strong understanding of the national strategic, organisational, and funding landscape for science and innovation.
- Strong interpersonal and communication skills, be articulate and passionate and have an ability to influence and network in a complex stakeholder environment.
- Experience of working in a partnership environment, and a strong commitment to fostering a spirit of collaboration and partnership across all organisations, public and private, in GM's innovation ecosystem.
- Experience of place-based working and leadership, creating collaborative and innovative cultures that maximise local assets and opportunities.
- Practical experience and proven track record of effective leadership and management of stakeholder relationships.
- An understanding of how to create an open, welcoming and diverse culture of innovation in Greater Manchester.
- Experience of leading new organisations, successful organisational expansions and/or significant organisational development and culture change programmes.
- Experience of working within business, industry and innovation, including experience of serving on groups or boards of senior executives.
- A strong grasp of the innovation drivers and challenges Greater Manchester faces and how to capitalise on the assets, talent and opportunities that are present in all parts of the city region.
- A total commitment to equality of opportunity and diversity, including an understanding of the barriers and challenges faced by economically or socially excluded groups.