

GM BUSINESS BOARD

Date: 31 May 2023

Subject: Deep Dive – Innovation Greater Manchester

Report of: Chris Oglesby, Chair of Innovation Greater Manchester

Purpose of Report

This report sets out progress on Innovation Greater Manchester activity and the Innovation Accelerator pilot.

Recommendations:

The GM Business Board is requested to:

1. Note the content of the report.
2. See supporting slides as a prompt for discussion on Innovation Greater Manchester.

Contact Officers

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Report authors must identify which paragraph relating to the following issues:

Equalities Impact, Carbon and Sustainability Assessment:

There are no expected negative carbon, equalities or sustainability impacts.

It is expected that projects funded through the innovation accelerator will have a positive impact on carbon emissions by accelerating business-led Research & Development (R&D) in this field.

Funded projects are required to make a positive contribution to equalities - projects are expected to increase the diversity of people and businesses undertaking R&D and innovation, and participating organisations including businesses are expected to commit to exploring joining the Greater Manchester Good Employment Charter and the Living Wage City Region pledge.

Risk Management

Risks are managed through the delivery of the programme. So long as relevant legislation is followed there are not expected to be any major risks to the organisation, delivery or finance of GMCA.

Legal Considerations

GMCA should ensure it follows relevant legislation when any decisions are made in relation to selection of projects for public funding.

Financial Consequences – Revenue

The programme is expected to result in additional revenue and capital funding for innovation projects and assets for external organisations.

There are direct costs to GMCA for delivery of this programme. These are expected to be met through capacity grant funding from Government, via Innovate UK, in addition to utilisation of locally retained business rates.

Financial Consequences – Capital

There are no Financial Capital implications.

Number of attachments to the report:

Annex A: GM Innovation Accelerator project portfolio.

Annex B: GMCA and Innovate UK - Memorandum of Understanding press release.

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

Innovation Greater Manchester Plan – Executive Summary:

https://assets.simpleviewinc.com/simpleview/image/upload/v1/clients/investmanchester/IGM_Exec_Summary_Nov_22_1_63d0f877-c7fa-4c0f-a328-04fc0cdbeae9.pdf

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

N/A

1. Background

1.1. Innovation Greater Manchester (IGM) was created in the pandemic to drive an economic recovery through a vision and blueprint for innovation-led growth in Greater Manchester, that also delivers on Levelling Up, generates the solutions we need to achieve net zero, and creates the conditions for more businesses in more places to benefit from global exporting and inward investment.

1.2. Since its inception the triple-helix partnership has had multiple successes including changing Government policy around place-based R&D&I investment leading to the £100m Innovation Accelerator Pilot and a local Innovation Plan; a portfolio of c.£33m new innovation investment in Greater Manchester; a MOU with Innovate UK and new working relationships with Government – including a new trailblazer Devolution Deal, and new ways of working across the city region led by Innovation Greater Manchester.

1.3. The IGM Board last updated the LEP Board on the 19 October 2022. This report sets out progress since the last update.

2. Key updates

2.1. Innovation Accelerator

1.1.1. Innovate UK announced on the 17 March 2023 that ten Greater Manchester projects will receive funding and support after being selected to become part of the city-region's Innovation Accelerator programme. The funding, awarded by the Department for Science, Innovation and Technology (DSIT), has been allocated to innovative projects in sectors where Greater Manchester has existing research strengths, including advanced materials, artificial intelligence (AI), diagnostics and health innovation, and net zero. Projects will support businesses with adopting new technologies and people developing new skills, while attracting private R&D investment, creating jobs and stimulating economic growth.

1.1.2. As part of the programme, the Innovation Greater Manchester board, a business-led partnership that brings together the private sector, academia and local government, has worked with Innovate UK and DSIT to select projects and co-design an Innovation Plan. This approach has empowered local business, civic and academic leaders to effectively target R&D funding for the benefit of the local economy and communities.

1.1.3. The projects receiving Innovation Accelerator funding align with the four frontier sectors identified as key growth opportunities by the Greater Manchester Local Industrial Strategy – sustainable advanced materials and manufacturing, health innovation and life sciences, digital and creative, and net zero – and focus on the three “Technology Families”, as defined by the UK Innovation Strategy, where the city-region has clear comparative advantages.

1.1.4. Greater Manchester will use the Innovation Accelerator pilot to begin to deliver broader aims outlined in the Innovation Greater Manchester vision for sustainable and inclusive economic growth through innovation.

1.1.5. The ten projects are completing a due diligence process with Innovate UK. The projects receiving funding are:

- **Future Homes Project** – a partnership between industry and academia to use the unique facilities at Salford Energy House and Energy House 2.0 to develop net zero technologies for homes.
- **Greater Manchester Electro-Chemical Hydrogen Cluster** – building on the work of the Manchester Fuel Cell Innovation Centre to accelerate the development and adoption of clean and efficient electro-chemical hydrogen technologies.
- **Pilots for the Sustainable Materials Translational Research Centre (p-SMTRC)** – building on the world-class advanced materials research in Greater Manchester to provide sustainable materials for manufacturing supply chains.
- **Manchester Turing Innovation Hub (MTIH)** – linking businesses to cutting-edge artificial intelligence (AI) research and technologies to help enhance their productivity.
- **MediaCity Immersive Technologies Innovation Hub** – exploring applications for immersive technologies in the entertainment, education, health, built environment, and manufacturing sectors, helping businesses to design, develop and test new solutions for the metaverse.
- **DEVOTE Programme** – a collaboration between industry, universities and healthcare professionals to support the development and implementation of time critical genomic testing technologies.

- **Energy Accelerator for Non-Domestic Buildings** – developing, testing and deploying net zero innovations to help commercial and public sector buildings to decarbonise.
- **Centre for Digital Innovation (CDI)** – working across four technology strands – artificial intelligence (AI), cyber, industrial digitalisation (ID) and immersive technology (IT) – on R&D, skills development, business models for SMEs, and community outreach.
- **AR EdTech For Hydrogen Skills** – an education technology (edtech) platform providing hydrogen skills training content for the manufacturing, construction, transport and energy sectors.
- **GM Advanced Diagnostics Accelerator** – a series of projects looking at Greater Manchester’s major morbidities (liver, heart and lung disease including lung cancer) in which academic and industry excellence from advanced diagnostics, digital and data will be brought together to improve health outcomes for residents.

2.2. Memorandum of Understanding with Innovate UK

- 1.1.1. Innovation Greater Manchester, GMCA and Innovate UK signed a Memorandum of Understanding (MOU) on the 12 December 2022. The MOU commits the parties to closer collaboration to support business innovation across the city region and seeks to strengthen research and innovation clusters across Greater Manchester and to accelerate investments around long-term innovation developments. The MOU is a further step in realising Innovation Greater Manchester’s vision for world-renowned innovation ecosystem.
- 1.1.2. Working with Innovate UK officials a workplan is being developed to implement activity around three initial areas of focus:
 - Development of wider place-based innovation.
 - Innovative procurement tools and methods.

- Piloting novel delivery mechanisms.

2.2. Devolution Trailblazer

- 1.1.1. Greater Manchester Combined Authority signed a Trailblazer Devolution Deal with Government on the 15 March 2023. The deal reached across a range of functions and policy levers including a R&D deal.
- 1.1.2. Building on the Innovation Accelerator programme, a Strategic Innovation Partnership to give GMCA a new and influential role informing the national research and innovation ecosystem, a knowledge transfer programme focused on local strengths and a pilot to boost innovation adoption and diffusion by local businesses, transferring more autonomy to Greater Manchester's developing regional innovation ecosystem.
- 1.1.3. GMCA and Innovation Greater Manchester are working closely with Government to develop a Terms of Reference for the Strategic Innovation Partnership.

2.3. Future of Innovation Greater Manchester

- 2.3.1. In Winter 2022 the Innovation Greater Manchester Board initiated a process to steer the next phase of its development to build on its achievements and accelerate further progress towards its vision for 2030, including a review of Greater Manchester's Innovation Ecosystem, and an appraisal to arrive at a preferred option for the future model for the Innovation Greater Manchester Partnership.
- 2.3.2. A process of engagement with key stakeholders and partners, including Greater Manchester's universities, to test the possible options, followed with discussions with external experts including Sir Patrick Vallance (Government Chief Scientific Adviser), Professor Raquel Ortega-Argiles (Director of the Productivity Lab, University of Manchester), Daniel Zeichner MP (Chair of the Life Sciences APPG).
- 2.3.3. The Innovation Greater Manchester Board will make a decision on the preferred future model of the partnership at the 30 May 2023 Board meeting. The preferred option will then require approval from the GMCA.

2.4. Next Steps

The Greater Manchester Business Board discussion on Innovation Greater Manchester priorities.

Annex A: GM Innovation Accelerator project portfolio.

Project	Project Lead	Sector
Future Homes	University of Salford	Net Zero
Energy Accelerator for Non-Domestic Buildings	The Growth Company Ltd	Net Zero
Greater Manchester Electro-Chemical Hydrogen Cluster	Manchester Metropolitan University	Net Zero
AR Edtech for Hydrogen Skills	The Blair Project Ltd.	Net Zero
The Development and Validation of Technology for Time Critical Genomic Testing (DEVOTE) Programme	The University of Manchester	Health Innovation
GM Advanced Diagnostics Accelerator	Health Innovation Manchester, hosted by Manchester University NHS Foundation	Health Innovation
Pilots for the Sustainable Materials Translational Research Centre	Rochdale Development Agency	Sustainable advanced materials & Manufacturing
Manchester Turing Innovation Hub	University of Manchester	Digital and Creative
MediaCity Immersive Tech Innovation Hub	The Landing at MediaCityUK Limited	Digital and Creative
Centre for Digital Innovation	Manchester Metropolitan University	Digital and Creative

Annex B: GMCA and Innovate UK - Memorandum of Understanding press release.

Landmark agreement between Greater Manchester and Innovate UK to boost innovation and R&D in the city-region

- GMCA, Innovation Greater Manchester sign Memorandum of Understanding (MOU) with Innovate UK
- Agreement for parties to work together to strengthen research clusters and drive innovation in the region
- MOU a further step in realising Innovation Greater Manchester vision for world-renowned innovation ecosystem

Greater Manchester's burgeoning innovation ecosystem has taken another major step forward with the signing of an agreement with the UK's national innovation agency, Innovate UK.

The Memorandum of Understanding (MOU) between Greater Manchester Combined Authority (GMCA), Innovation Greater Manchester and Innovate UK commits the parties to closer collaboration to support business innovation.

The agreement seeks to strengthen research and innovation clusters across Greater Manchester and to accelerate investments around long-term innovation developments.

The parties have also agreed to work on a shared plan for the period to 2030, which will set out how the development of innovation assets in Greater Manchester will inform Innovate UK activities.

The agreement was signed by Mayor of Greater Manchester, Andy Burnham, Innovate UK CEO, Indro Mukerjee, and Chair of Greater Manchester Business Board (GM LEP), Lou Cordwell, at a special event held today (Friday 2 December) at the Graphene Engineering and Innovation Centre (GEIC) in Manchester. The GEIC is a facility which helps companies develop new technologies, products and processes that exploit the properties of graphene and other 2D materials.

Andy Burnham, Mayor of Greater Manchester, said: “This agreement will strengthen collaboration between Greater Manchester and Innovate UK, and in doing so help deliver a high-growth, high-wage economy powered by innovation.

“Going back to the first Industrial Revolution, Greater Manchester has a proud history of industry and innovation. More recently we pioneered the development of graphene, and have emerging strengths in areas like advanced manufacturing, health innovation and the digital and creative industries.

“Levelling up the country means rebalancing R&D spending so that regions can realise their potential. Innovation stimulates sustainable growth, which leads to better quality jobs and increased wages, raising the living standards of people across Greater Manchester.”

Indro Mukerjee, CEO of Innovate UK, said: “Innovate UK is building strong regional partnerships across the UK to support local innovation and commercialisation. The agreement with Greater Manchester is a good example of that and our commitment to levelling up the UK.

“I am pleased to be working closely with Mayor Andy Burnham, Chair of Greater Manchester Local Enterprise Partnership, Lou Cordwell, and Leader of Manchester City Council, Bev Craig, to help deliver growth and productivity through innovation across Greater Manchester.”

Cllr Bev Craig, Leader of Manchester City Council and GMCA Portfolio Lead for Economy and Business, said: “Our agreement with Innovate UK will help businesses and residents in Greater Manchester benefit from the opportunities presented by innovation.

“Business innovation creates good jobs in more places. It drives economic growth, accelerates our transition to net zero, and helps reduce health inequalities. We look forward to working with Innovate UK to strengthen Greater Manchester’s innovation ecosystem.”

Lou Cordwell, Chair of Greater Manchester Business Board (GM LEP) and Innovation Greater Manchester board member, said: “The signing of this agreement is another significant step in our ambition for Greater Manchester’s innovation economy. By working with Innovate UK we can ensure the work done to create value through innovation responds to the strengths and opportunities unique to Greater Manchester.

“Our Innovation Greater Manchester vision is for the city-region to be a leader in the fourth Industrial Revolution and known globally as an innovation hub. To realise this, we are pioneering a new approach which brings together regional and national government with businesses, universities, investors and entrepreneurs.”

Through Innovation Greater Manchester, the city-region is pioneering a new approach to strengthening and broadening its innovation ecosystem – the network that comprises businesses of all sizes, universities, local and national government, funding providers and investors, and entrepreneurs.

Greater Manchester's [Innovation Plan](#) outlines how sustainable growth powered by innovation could deliver a £3.8bn economic benefit and over 100,000 jobs across Greater Manchester.

Greater Manchester was one of three areas in the country chosen to develop an Innovation Accelerator. Launched as part of the Levelling Up White Paper, Innovation Accelerators will support businesses and research in Greater Manchester, the West Midlands and Glasgow city-region with a share of £100m of Government funding.

This followed the [UK Innovation Strategy](#), published in July last year, which set out Government's vision to make the UK a global hub for innovation by 2035, and [Innovate UK's plan for action, *Building the future economy*](#).