



## **Lancashire Enterprise Partnership Limited**

**Private and Confidential: NO**

**Date:** Wednesday, 1 May 2019

### **Innovation Plan Progress and the Formation of a Lancashire Innovation Board** (Appendices '1', '2' and '3' refer)

**Report Author: Professor Mark E. Smith, Vice-Chancellor of Lancaster University**

#### **Executive Summary**

The LEP Review Transition Group recommended to the 19<sup>th</sup> March 2019 LEP Board that an Innovation Board be established in light of links to the development of a Local Industrial Strategy.

This report provides an update on how the actions identified in the Lancashire Innovation Plan have been progressed in the year since the document was finalised. Furthermore, it presents the work which has taken place to explore options for the formation of an Innovation Board for Lancashire as described in the aforementioned LEP Governance Report.

#### **Recommendation**

The Lancashire Enterprise Partnership Board are recommended to:-

- (i) Note the progress made by local partners in progressing the actions with the Lancashire Innovation Plan.
- (ii) Note the work which has been done on their behalf to compare and contrast the structure of innovation boards across the Northern Powerhouse.
- (iii) Approve the draft terms of reference and suggested membership composition of a Lancashire Innovation and Productivity Board, accepting that these Terms of Reference will need to be transposed to the existing house style for these documents across the LEP's committees; and
- (iv) Instruct the Interim LEP Chief Executive, supported by Lancaster University to progress the recruitment of prospective Innovation and Productivity board members, for ratification by the full Board.

## Background and Advice

The Lancashire Innovation Plan was initiated and commissioned by the LEP at its meeting on the 30<sup>th</sup> January 2018, recognising that a local analysis of innovation and productivity issues within the local economy would be central to the evidence base and case making required for the Local Industrial Strategy and to allow local partners to engage with the Industrial Strategy Challenge Fund and emerging sector deals.

The action framework emerging from the Innovation Plan was referenced in the Lancashire Innovation Priorities update report which came to the board on the 26<sup>th</sup> June 2018.

The work was commissioned with three clear objectives:

- The creation of a more competitive, dynamic, & larger 'innovation economy in Lancashire
- The production of an evidence-based Innovation Plan - clear objectives & priorities for action
- The objective of getting Lancashire on to the 'front foot' regarding its innovation 'plays'

The four envisaged outputs arising from the work were seen to be:-

- A robust & refreshable Evidence Base for innovation in Lancashire
- An Innovation Asset List
- A Strategic Framework & Action Agenda – 'The Plan'
- An Inclusive & enthusing 'process' to start to build expectations

The framework for activity which emerged is presented in the attached Innovation Plan Executive Summary at Appendix 1 to this document. In summary this presented five strategic aims for Lancashire in respect of local innovation capabilities around:-

- staying ahead in sectors and industries where the county already had strengths,
- finding new routeways to excellence, representing our ability to create and engage in new and emerging opportunities
- Further developing the Innovation Ecosystem to work more coherently. Typically this would involve making existing innovation assets, many of which the LEP has invested in, clearly define respective capabilities and prospective client groups and to be able to cross refer and develop businesses and ideas across this network
- Broadening the Innovation Base, by which we mean ensuring that any new or emerging technology gaps are filled, and ensuring that the enabling infrastructures for innovation is in place and off the correct standard, and
- Letting the World Know! – enhancing Lancashire's reputation for innovation.



## **Local Partner work arising from the Lancashire Innovation Plan**

Whilst the LEP set aside a modest budget to advance the activities set out in the Innovation action plan, the document has acted to mobilise further investment across Lancashire partners to advance key elements of the plan.

Three of the four Lancashire universities are now co-funding a post – the Lancashire Universities Innovation Manager to work alongside the LEP and others. This post is now filled by Matt Wright. Lancashire County Council have also assigned a member of the economic development team to take a leading role on Innovation and Technology issues (Maya Dibley).

The Innovation Plan Action Log at Appendix 2 details the activity which has taken place across the five strands of the action plan.

## **Governance / the establishment of an Innovation and Productivity Board**

Working to the LEP, staff at Lancaster University have been examining how Innovation Boards have been established across the Northern Powerhouse, how they relate to their LEPs and how they're configured in terms of membership and remit.

Colleagues spoke to officers facilitating Innovation Boards in NELEP, Manchester and Sheffield City Region each of which has different operational models varying from complete independence from the LEP to others who are embedded within LEP structures.

Based on this experience, it is felt that the proposed Innovation and Productivity Board could work well as proposed within the new committee structure of the LEP.

Practice in other areas suggests that there needs to be a balance struck between the recruitment of high-profile world class experts with links back to the respective LEP areas and the availability of board members to meet on a regular basis and drive forward activity. The solution proposed within Lancaster University's suggested Terms of Reference for such a group suggest that the proposed Innovation and Productivity Board will be guided by a Steering Group meeting annually with this meeting being part of a regionally important event, drawing on a wide range of input from stakeholders to inform the County's strategic innovation aims and feedback achievements.

The Innovation Board itself will then be expected to take detailed advice and guidance from Advisory Working Groups and be expected to meet six times per year, tasked with actions by the Board under thematic headings or related objectives. Membership of the Working Groups will be decided by the specialist lead member in conjunction with the Chair, LEP Board representative and Innovation Director. The indicative membership is as follows:-



Chair	Corporate, strategic and international	Eg BAE Systems, LEP Board Member
LEP Board Rep & Deputy Chair	Strategic Econ Development	Eg Pvt/Public mangt / linked to Skills Board?
Innovation Director	Cross-partner	Eg HEI Forum
Local Authority 's Rep	Senior	Eg LCC
UKRI Rep	Regional Director	Eg BEIS / Innovate UK
University Reps	PVC/Director level	Each Lancs HEI
Research & Science Rep	Cross-partner	Eg LU or STFC or SME
Start-up, Micro & SME Rep	Private sector	Eg SME only
Thematic – Health & Life-Sciences	Specialist lead	Eg SME, Corporate or HEI
Thematic – Energy & Environment	Specialist lead	Eg SME, Corporate or HEI
Thematic – Manufacturing & Construction	Specialist lead	Eg SME, Corporate or HEI
Thematic – Digital & Creative	Specialist lead	Eg SME only
Thematic – Professional & Services	Private sector	Eg Banking
A N Other Eg Trade Body	In reserve	Flexible eg EEF

A full copy of the suggested Terms of Reference for the Innovation and Productivity Board are attached as Appendix 3 to this report. This draft will need to be brought in line with the house-style for LEP committees, giving commonality to governance structures across the partnership.

## Next Steps

The LEP board are recommended to:-

- Note the progress made by local partners in progressing the actions with the Lancashire Innovation Plan
- Note the work which has been done on their behalf to compare and contrast the structure of innovation boards across the Northern Powerhouse
- Approve the draft terms of reference and suggested membership composition of a Lancashire Innovation and Productivity Board, accepting that these Terms of Reference will need to be transposed to the existing house style for these documents across the LEP's committees
- Instruct the Interim LEP Chief Executive, supported by Lancaster University to progress the recruitment of prospective Innovation and Productivity board members, for ratification by the full Board.



## List of Background Papers

Paper

Date

Contact/Tel

None

Reason for inclusion in Part II, if appropriate

N/A