

Innovation Board Workshop - Steer-ED Note

Purpose

This note provides a summary of the key points of discussion at the workshop facilitated by Steer Economic Development (Steer-ED) following the Innovation Board Meeting held at County Hall, Preston on 3 March 2022. It reports on Board Members' responses to the following two questions, in the context of the Lancashire Innovation Plan Strategic Framework:

- What is working well & needs to continue?
- What new things needs to be done, which are not currently happening?

Summarised Notes

Strategic Aims 1 and 2: Innovation Capability

- Lancashire has strengths in health, aerospace, and defence, which have crossovers with emerging themes in security (physical and cyber) and resilience (economic and environmental).
- The evolving nature of health (e.g. towards remote diagnostic/treatment, healthy ageing, mobile devices) and defence (from traditional military hardware to cyber and unmanned vehicles) presents opportunities for Lancashire, based on its existing strengths in these fields.
- Skills are a major barrier to capability. National Cyber Force will require c. 2,500 staff and businesses across the County already struggle with attraction and retention of talent (8% of businesses have "hard to fill" vacancies, up from 4% in 2016).
- 'Levelling Out' concept is important and will require smart collaboration with neighbours in GM and LCR.
- Regional Growth Fund and Made Smarter support programmes have been successful, but now Lancashire is missing this stimulus in manufacturing. Manufacturing needs to be updated, particularly through ensuring workers with the right skills are available in a growing talent pool. Enabling infrastructure needs to be promoted and signposted.
- Low Carbon initiatives can be used as a method to gain efficiencies at a business level. SMEs, in particular, need support for this.
- 100% of ERDF funding in Lancashire is delivered through its universities, compared to 10% in GM. Businesses need to be provided with support to bid for R&D funding and to be ambitious.
- Successes in ElecTech and sustainability have been observed in Lancashire, but there is no funding to support these sectors further.
- Growth in SMEs is significantly curtailed by recruitment. The skills barrier in Low Carbon activities is the worst in the country.
- EIC, HIC, AMRC are all important infrastructure assets, but they need to collaborate more. Providing demonstrator facilities for emerging tech development is important for catalysing innovation and attracting innovative businesses.

- Use of Innovate UK funding in Lancashire businesses is improving, but often the projects aren't ambitious enough.
- Conversations need to be manufactured to identify 'new routeways' to emerging sectors and then develop actions which need to be taken to facilitate this.

Strategic Aims 3, 4 and 5: The Innovation Ecosystem

- Lancashire partners need to provide a way for people to access innovation:
 - Promote facilities and what Lancashire excels at
 - Provide physical spaces to carry out innovation and R&D activities in
 - Provide access and routeways to finance for R&D – e.g. NW Aerospace Alliance
- Consider the possibility for an innovation centre at Salmesbury, which would provide 'sandpit' space for unclassified and unconstrained innovation activities. However, any additional physical assets must be world class
 - Provision of access to soft and hard support/facilities
 - Create a space where SMEs can 'rub shoulders' with academics and big business – bringing innovation from behind the wires of large businesses
 - Skills development support
 - Add-on/grow-on space
 - 5G ready
 - Creating a place for 'collision' of ideas. Success stories exist, such as at Building 41 in Boston, MA and Porton Down, Wiltshire
- Fraser House in Lancashire is working well on the networking side, but is lacking in grow-on space
- A resource is needed to help to find and identify innovation activity in the County
- More 'animators' are needed who work across the sectors. These are the people who can identify and catalyse cross-sector and technology convergence point opportunities. This can be helped by developing more connections such as the one currently with MIT
- Need to understand how to utilise and seek funding opportunities
- Lancashire has an infrastructure advantage for the development of future mobility. It needs to promote the use of technology in this and other areas, rather than relying on traditional expertise in manufacturing
- Talent attraction is hugely important. It needs to be promoted carefully. E.g. house prices and the quality of life are attractors, but need to be built into a saleable 'story'
 - Attraction to young professionals needs a more holistic approach. Lancashire can't just rely on the perceived quality of its jobs and businesses. The towns need to provide amenities and leisure opportunities which make people want to live there
- Lancashire needs to develop a clear story to tell and then promote this message proactively.
 - 'Tech City Lancashire' is an idea, but it needs to be defined what role the Council has in innovation.
- With the announcement of National Cyber Force, Lancashire needs to start work now on developing the supply chain and also identifying tech merging points which may flow from this opportunity.