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**Report to:** Business Innovation and Growth Panel

**Date:** 24 November 2020

**Subject:** **Connecting Innovation and the West Yorkshire Innovation Network**

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## **1 Purpose of this report**

- 1.1 The purpose of this report is to inform the Panel in relation to the new Connecting Innovation programme and its role in facilitating the West Yorkshire Innovation Network proposed in the West Yorkshire Devolution Deal.
- 1.2 A presentation will be provided at the meeting.

## **2 Information**

### Connecting Innovation

- 2.1 The Connecting Innovation programme commenced in June 2020 and runs until March 2023. In response to discussions with Innovate UK and lessons learnt on the predecessor Access Innovation programme, in addition to ongoing grant support to de-risk innovation investment, there is a much stronger focus on the programme acting as an impartial and objective 'connector' for businesses to the wider innovation eco-system within the region.
- 2.2 The programme, which is funded through the European Regional Development Fund (ERDF) and the Northern Powerhouse Growth Deal, supports four Innovation Growth Managers (IGM) to undertake this impartial brokerage and support service to eligible SMEs.
- 2.3 The role of the IGM is two-fold: Primarily it is to understand the plethora of innovation support available to LCR based businesses - both regionally and nationally. That knowledge and understanding of the innovation landscape, coupled with the ability to work with, and diagnose an individual business' needs, enables them to navigate a business through that landscape and signpost to the most appropriate and relevant source of support available. The

IGM is also then available to provide support at a greater depth and duration of time to ERDF eligible SME's, in order to support them on their innovation journey. The time allocation available per business through the ERDF support is 12 hours – however in reality – some businesses will receive more than this, some less, dependent upon the needs of the business.

- 2.4 Connecting Innovation also employs a full-time Communications and Marketing Officer post to support the wider objectives promoting the uptake of innovation and research and development across the City Region and promoting the West Yorkshire Innovation Network as an enabler of this. Through a detailed strategy it is intended to gain intelligence and information about how businesses view innovation; their perceived barriers to accessing support to that would otherwise increase their capability, and understanding their preferred language to communicate messages in the most appropriate way. A plan to utilise preferred engagement methods and promoting the support offering of CI and the wider landscape in an appropriate language will then be executed in order to promote the offer available, support the business community to access and promote collaborative working. This will be in conjunction with ongoing events and campaigns to further promote the innovative businesses of the LCR; their innovation journeys and successes achieved; and showcase best practice to others – demonstrating how it can be done.
- 2.5 Two grant pots are also available by application, through CI, with the role of the IGM at the core of their success - to identify eligible SMEs with suitable projects to fund, and work with them to produce robust applications in order to minimise failure rates of applications.
- 2.6 The larger 'Targeted Innovation Fund' with a total project value of up to £100,000 is reserved towards those high impact projects resulting in a new to market innovation and demonstrate alignment and realisation of key strategic opportunities.
- 2.7 With an emphasis on creating new to firm innovations, the smaller of the two funds – the 'Innovation Project Fund' is primarily aimed at SME's that have not previously undertaken collaborative innovation projects – whether that be with research organisations or the private sector. The project must have a maximum value of £25,000.
- 2.8 Both funds are available at a maximum 50% intervention rate, dependent upon state aid criteria when applied to the individual business circumstance.
- 2.9 Connecting Innovation is the City Region's key vehicle for achieving the ambitions set out in devolution deal to establish a West Yorkshire Innovation Network.

#### West Yorkshire Innovation Network

- 2.10 In 2017 an MoU between Leeds City Region LEP and Innovate UK was agreed, demonstrating the commitment of both parties to joining up, and

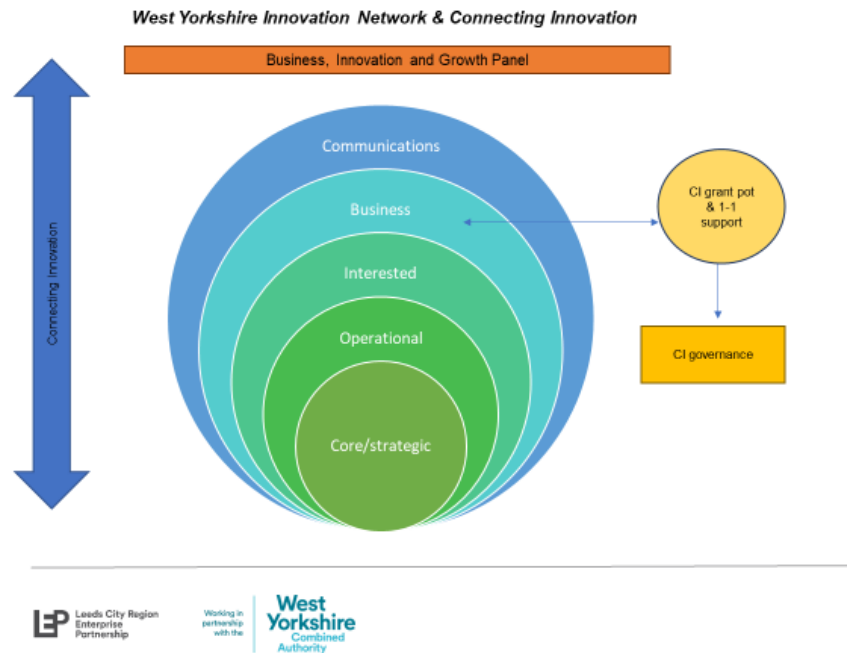
deepening the impact of, innovation support across the City Region to increase innovation rates. The Business Innovation and Growth Panel was key to making this happen.

2.11 Building on this, the West Yorkshire devolution deal, signed in March 2020, set out the following:

“The West Yorkshire Combined Authority and Government will establish the West Yorkshire Innovation network through the Connecting Innovation programme. This network will provide a dual-hub for the community of innovative entrepreneurs, startups and SMEs in the West Yorkshire ecosystem. This dual-hub will be anchored through a physical presence at the NEXUS Innovation centre (University of Leeds) and the 3M Buckley Innovation Centre (University of Huddersfield) initially, with further regional opportunities to be explored in the future. This network will bring together business support services from the Growth Hub, local Universities and the Innovate UK ‘family’ (including Knowledge Transfer Network, Enterprise Europe Network and Catapult network). Activities will be supported through regular events in order to raise aspirations and improve the chances of success for our businesses competing for UK Research and Innovation (UKRI) funding”.

2.12 The WYIN is a multi-layer approach and includes the following:

- The Core (Strategic) layer – involving key players from organisations across the innovation ecosystem to provide direction for the network and its activities.
- The Operational layer – involving organisations and individuals from across the business support landscape. Led by Connecting Innovation in its role as impartial objective broker of innovation support services.
- Interested parties – the broader landscape of business support providers who will have an interest in the developing innovation ecosystem.
- The Business Network – envisaged to be a peer to peer support network focused on innovation, drawing in businesses who have engaged with all the ecosystem support to add value to the existing offers.
- Communications layer – identified as critical ingredient of increasing innovation rates in Leeds City Region this will involve raising the profile of all innovation support in Leeds City Region, as well as increasing visibility of innovation, showcasing success stories and more generally creating a greater buzz around innovation.



2.13 Discussions are underway about creating vertical strands of activity around specific and focused thematic priorities, e.g healthtech.

2.14 The ultimate ambition of the network is to create a better offer and experience for businesses seeking innovation support, joining up activity better and identifying gaps in provision (and opportunities to fill those gaps).

### 3 Clean Growth Implications

3.1 The Targeted Innovation Fund specifically targets transformational innovation in the low carbon sector as one of its primary strategic focuses, aligning with the emerging Innovation Framework, Innovate UK and COVID-19 recovery plan strategic priorities.

### 4 Financial Implications

4.1 The Connecting Innovation programme is fully funded through ERDF (£2,028,886) and Growth Deal (£750,961), attracting £1,277,925 of SME match over the lifetime of the programme. The total programme value is £4,057,772.

### 5 Legal Implications

5.1 There are no immediate legal implications directly arising from this report.

### 6 Staffing Implications

6.1 There are no immediate staffing implications directly arising from this report.

## **7 External Consultees**

7.1 No external consultations have been undertaken specifically on this report.

## **8 Recommendations**

8.1 That the Panel notes the introduction of the new Connecting Innovation programme and its role in facilitating the Devolution Deal ambition to establish a West Yorkshire Innovation Network to expand and deepen the impact of innovation support across the City Region.

## **9 Background Documents**

None

## **10 Appendices**

None