

Report to: Business, Economy & Innovation Committee

Date: 5 January 2022

Subject: **Innovation Challenge Competition**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To seek the views of the committee for proposals to launch a pilot innovation challenge competition as part of the West Yorkshire Innovation Festival in 2022.

2. Information

Overview of Challenge Competitions

- 2.1 The [West Yorkshire Innovation Framework](#) outlines the region's vision to be a globally recognised place for developing an open, inclusive, thriving and coherent innovation ecosystem. One of the priorities critical to achieving this vision is for our region to adopt a mission-based approach to innovation by using initiatives such as challenge competitions.
- 2.2 Innovation challenge competitions are initiatives which aim to bring together entrepreneurs, SMEs or students (as participants) to **develop a new innovative product or service to address a given societal problem**. A judging panel then usually awards a prize to the best or most effective solution. In some cases, the winners and runners-up may be given further business support to commercialise their idea and bring it to market.

- 2.3 Challenge competitions tend to have a number of benefits¹ such as:
- They have low barriers to entry – meaning opportunities to be involved in innovative activity are increased.
 - Prizes can sometimes be a catalyst for change – shifting regulation or driving policy proposals.
 - Because public money is a component of a challenge competition of this sort, there is typically a public benefit – meaning that any product or service that is developed should improve the livelihoods of the population group it is targeted at.
- 2.4 Challenge competitions have been successfully implemented on similar regional scales across the UK and internationally.
- 2.5 The Mayor of London has run a [Civic Innovation Challenge](#) in previous years in partnership with Microsoft Corporation, Transport for London and other organisations and asked for applicants to solve challenges related to democratising town and country planning in London, and identifying methods to increase active travel across the city.
- 2.6 Challenge competitions were also identified as one of the good practices on the SMARTY Interreg Project² which the Combined Authority participates in, and our proposed pilot challenge competition would form the central element of our regional action plan, a deliverable of the SMARTY project.

Proposal

- 2.7 The Committee will recognise that COP-26 acted as an opportunity to build on the growing momentum relating to tackling the climate emergency. Building on this, and in recognition of our own regional ambition to tackle the climate emergency and reach net zero carbon by 2038, the Mayor has suggested that the competition focuses on developing a product or service addressing climate change.
- 2.8 We would welcome comments from the Committee on where the emphasis should be in terms of a pilot Mayoral Challenge Competition. The purpose of the pilot will be to provide the organisation an opportunity to gather a greater understanding of the key components and resources needed to run these types of projects. They will act as a lessons-learned exercise for a future larger programme of activity.
- 2.9 The Combined Authority has identified three areas of focus for a potential pilot challenge competition that could be delivered, and the Committee is asked to provide thoughts on the below proposals:

¹ [Report](#): The Great Innovation Challenge – How challenge prizes can kick-start the British economy.

² See link for more detail on the Combined Authority's involvement in the SMARTY Interreg Europe project: <https://www.interregeurope.eu/smarty/>

- **Focus 1:** Proposal to deliver a business facing challenge competition which will be targeted at SMEs and/or entrepreneurs.
- **Focus 2:** Proposal to be aimed at university students at either undergraduate or postgraduate level.
- **Focus 3:** Proposal to target secondary school students across West Yorkshire.

2.10 There is also an option to explore some form of corporate sponsorship should the Committee support this being progressed.

Delivery & Proposed Timescales

2.11 Subject to BEIC comments, the Combined Authority's Business, Innovation and Skills Policy Team will plan to undertake a procurement exercise in early 2022 seeking to appoint a delivery provider to manage the pilot throughout its entirety (challenge definition to prize winner). The successful delivery provider will also advise on the length of the competition itself.

2.12 The competition will be formally announced at the West Yorkshire Innovation Festival 2022.

2.13 There is an opportunity for Committee members to get involved in the steering group to support the festival and events as part of the festival.

3. Tackling the Climate Emergency Implications

3.1 In recognition of West Yorkshire's ambitions to tackle the climate emergency and reach net-zero carbon by 2038, both pilots are proposed to focus on issues surrounding net-zero and sustainability. Each cohort will be asked to tackle a given problem surrounding the climate emergency and will develop solutions to address it.

4. Inclusive Growth Implications

4.1 Traditionally, many large industry competitions and challenges are led and dominated by established innovation players who may have credited experience, resources and status. Challenge competitions are effective ways in ensuring that more people are able to contribute to, and benefit from, economic growth because they give early-stage businesses, entrepreneurs, SMEs and young people the opportunity to partake in innovation activities and access opportunity to commercialise products and services.

5. Equality and Diversity Implications

5.1 Our Innovation Framework's first priority is focused on creating an innovation ecosystem by and for everyone. Challenge competitions support this by providing an easily accessible platform for underrepresented groups to get

involved in innovation activities. As part of the pilot, a series of communications activities will need to be undertaken and will be promoted across a variety of channels and networks in order to capture a diverse range of participants.

6. Financial Implications

6.1 There are no financial implications directly arising from this report.

7. Legal Implications

7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

8.1 There are no staffing implications directly arising from this report.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1 That the Business, Economy and Innovation Committee notes and provides comments on the proposals for an innovation challenge competition pilot.

10.2 That Committee members express an interest in getting involved in both the planning and delivery of the festival.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

None.