



<b>Report to:</b>	Business, Economy and Innovation Committee
<b>Date:</b>	9 November 2023
<b>Subject:</b>	<b>Innovation</b>
<b>Director:</b>	Felix Kumi-Ampofo, Director Inclusive Economy, Skills & Culture
<b>Author:</b>	Sarah Bowes, Interim Head of Business

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## 1. Purpose of this Report

- 1.1. To provide the Committee with an update on activity to stimulate innovation in West Yorkshire.

## 2. Information

### Innovation

#### Investment Zones

- 2.1. In the Spring Budget, West Yorkshire was selected as one of the Mayoral Combined Authorities to progress proposals for hosting an Investment Zone and is now progressing the development of a proposal in collaboration with Local Authorities, universities and the Department for Levelling Up, Housing & Communities (DLUHC).
- 2.2. Aligning to the region's strengths and opportunities, health and life sciences with digital tech (in health) were agreed as our priority cluster.
- 2.3. Over the summer the Combined Authority has agreed to not take further any tax site proposals or business rate retention sites, focusing on using the flexible spend to maximise opportunity for the healthtech cluster and wider digital sector.

- 2.4. Currently, there are three capital proposals linked to the Investment Zone programme. These are located in the centres of Bradford, Huddersfield and Leeds.
- 2.5 Simultaneously, revenue interventions are being developed and they will focus on skills, research and innovation and enterprise support. These are being prioritised against capital interventions and on their scalability, deliverability, and impact.
- 2.6 Over the Autumn, the Combined Authority will continue to work with local authorities, universities and the Department for Levelling Up, Housing and Communities to move towards final sign off.

### **West Yorkshire Healthtech Launchpad**

- 2.7 West Yorkshire has been successful in securing c. £7.5 million in dedicated Innovate UK funding and support for businesses in our health innovation cluster, in a programme entitled the West Yorkshire Healthtech Launchpad. The launchpad is a prestigious programme for the region and one of only eight awarded across the country. It was awarded due to the breadth and depth of the region's healthtech business cluster, the wider collaborative ecosystem including academic and clinical research excellence, and the growth potential within the cluster as a whole. The bid was led by the Combined Authority with significant support from partners across industry, academia and the health and care sector.
- 2.8 As a direct result of securing the launchpad, health technology companies in West Yorkshire will be able to bid for funding of up to £1 million to help develop lifechanging medical innovations for use in the NHS and across the world. The launchpad fills a distinct gap in the funding support landscape, and aims to stimulate further investment into the sector through de-risking and advancing promising technologies, contributing to the pipeline of investable opportunities in West Yorkshire – leading to long term growth in business activities and economic impact in the cluster.
- 2.9 The first round of launchpad funding competitions are split into two strands, designed to support outstanding innovation projects led by businesses: £25 - 100k grant funding for relatively short-term projects within an individual SME, and £150k - £1million for collaborative research and development projects. The launchpad will also invest in cluster management to support the development of the ecosystem. The scope of the competitions has been developed by the CA in partnership with IUK, with innovative solutions sought in key areas including overcoming health inequalities, meeting global challenges in net zero healthcare and addressing major conditions, including through prevention of disease and early and better detection and diagnosis.
- 2.10 The first round of competition funding (round one of two) opened on the 23<sup>rd</sup> October and will close mid-December. Successful applicants will be expected to deliver from May 2024.

### **West Yorkshire Innovation Festival 2023**

- 2.11 In its third year, the Innovation Festival takes place 13-17 November 2023. It brings together businesses, entrepreneurs, skills providers, community groups and members of the public to celebrate inclusive innovation. Events during the week showcase innovative activity across West Yorkshire, raising the profile of innovation, sharing best practice, and facilitating networking opportunities.
- 2.12 The flagship Innovate UK Local Day will take place during the festival in Calderdale on 16 November. *Innovate Local West Yorkshire: Innovate, Advance, Grow* is delivered in collaboration with the Innovate UK family, including EDGE and Knowledge Transfer Network, and is open to businesses from any sector and at any stage of their lifecycle. The event will promote inclusive innovation, and further progresses the activities set out in the Innovate UK West Yorkshire Action Plan, launched in February 2023. Workshops include meet ups for some of West Yorkshire's priority sectors (HealthTech, Digital and Manufacturing), allowing businesses to network with peers, and learn more about the support and funding opportunities available and how to access them.

## **2. Information**

### **3. Tackling the Climate Emergency Implications**

- 3.1. Any interventions will be designed to ensure that there is no adverse impact on the region's ambitions to secure net-zero by 2038. Part of our proposal for IZs has the opportunity to support the green-tech / green-finance sector across the region which could support the transition to a low-carbon economy across West Yorkshire.

### **4. Inclusive Growth Implications**

- 4.1. Inclusive growth is a cross-cutting theme across the Combined Authority's portfolio of business support programmes and these principles will be applied to any interventions which make up the Investment Zone proposal.

### **5. Equality and Diversity Implications**

- 5.1. Any interventions (in particular any revenue funding) under the Investment Zone proposal will take into consideration EDI implications. This will include the likes of programme targets to ensure geographical representation across the region and to reach and support underrepresented members of the business community of the chosen sectors.

### **6. Financial Implications**

- 6.1. Funding will be drawn from the £80 million as part of the Investment Zone offer. There is also the opportunity to leverage additional funding through the private sector.

### **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 committee notes progress on Investment Zones and provides feedback on the programme proposals.

## **11. Background Documents**

Investment Zones [Policy Prospectus](#)