

Title:	Promoting Innovation Investment in Buckinghamshire
Purpose:	To provide board members with an update on the innovation support services available to businesses within Buckinghamshire, the level of engagement with these services and the programme for strengthening links with national agencies, particularly within the delivery of the National Space and Hydrogen Strategies.
Recommendation(s):	That members note the content of this report and support the development of a stronger innovation eco-system in Buckinghamshire with an initial focus on the National Space and Hydrogen Strategies.
Impact on Risk Register:	Innovation is one of the three pillars of the government's recently published Plan for Growth. It is likely that LEPs and Growth Hubs will be asked to focus on innovation support as part of the LEP Review process.

1 Background – National Targets

In March, the Chancellor announced a record increase in public investment in research and development (R&D) committing to reaching £22 billion per year by 2024 to 2025. This commitment has the added importance to help the economy recover swiftly from COVID-19 and to build a future which is greener, safer and healthier than before. This builds on the 2017 Industrial Strategy commitment where the UK Government set a target of spending 2.4% of GDP on R&D by 2027 and 3% in the longer term.

Within the Oxford to Cambridge Arc the R&D capacity is identified as one of the major strengths with both the Oxfordshire LEP and the Greater Cambridge and Peterborough LEP's sitting at the top of the national rankings for Innovate UK investment measured per head of population and in terms of value. The impact of the two Universities and their spin-out businesses is clearly reflected in these figures.

2 Where are we now – current levels of innovation investment

In Buckinghamshire our traditional strength has been within applied rather than academic research. We are currently mid table in terms of the number of grants awarded by Innovate UK to Buckinghamshire organisations with 74 grants totalling just over £21m allocated to Buckinghamshire organisations since 2018. A chart outlining the national picture in relation to Innovate UK Funding over the past three years is attached as **Appendix 1** to this report.

Increasingly it can be seen that the most recent funding to Buckinghamshire is focussing on innovation locations centred around our Enterprise Zone sites and around the key sectors identified in our Local Industrial Strategy and reflect the benefits of developing an innovation ecosystem where like-minded businesses are attracted and receive a package of support including access to network specialists and opportunities to collaborate on projects and funding bids.

3 Support Services Available

UK Research and Innovation (UKRI) is the national funding agency investing in science and research in the UK. Operating across the whole of the UK with a combined budget of more than £6 billion, UKRI brings together the 7 Research Councils, Innovate UK and Research England.

UKRI is an executive non-departmental public body, sponsored by the Department for Business, Energy & Industrial Strategy, supported by 7 agencies and public bodies.

- Arts and Humanities Research Council
- Biotechnology and Biological Sciences Research Council
- Economic and Social Research Council
- Engineering and Physical Sciences Research Council
- Medical Research Council
- Natural Environment Research Council
- Science and Technology Facilities Council

To date, our engagement with the individual research councils has been limited to individual projects, such as the StoryFutures Programme supported by the Arts and Humanities Research Council.

Over the past year the Growth Hub team have adapted to provide a more dedicated innovation support service for those using the incubation hubs in the Silverstone and Westcott Enterprise Zone sites. This is in addition to the support that has been provided by the likes of the Satellite Applications Catapult as part of the Space Cluster Network programme and the Silverstone Technology Cluster programme of activities.

Elsewhere we have invested through our European Programme in the Bucks Health and Social Care Ventures Initiative helping provide network support and advice for growing businesses within that sector and have also invested in innovation hubs at 3 University sites in High Wycombe, Aylesbury and Buckingham and look forward to a new facility opening at Stoke Mandeville Hospital this summer. Proposals for a specific Creative Sector Growth Hub service, to be managed by BBF together with Creative England are included within the Pinewood Global Screen Hub plans.

As part of a Business Support Providers quarterly meeting, hosted by the BBF Growth Hub, representatives from national organisations operating in Buckinghamshire including the Knowledge Transfer Network, Innovate UK, Catapult Representatives, DIT and the British Business Bank are brought together. This forum is an effective way for the agencies to support the core work of driving productivity in the Buckinghamshire economy, but greater capacity is required to develop the relationships outside of these scheduled meetings and to bring new partners into this support network.

4 Role of LEP to develop innovation ecosystem

Currently R&D investment propositions come through collaboration with business and the LEP's innovation support service connects SMEs with the right people, helping businesses through the ecosystem of innovation resources.

Our recent strategic investments in Buckinghamshire business-critical Infrastructure are starting to show benefits into attracting and supporting greater collaboration by innovative businesses but we need to do more to target and showcase the opportunities in Buckinghamshire to potential investors and support providers. We can play an important role as a convenor of other

support providers and uniquely are able to align the strategic objectives of the area with the knowledge and business insight gleaned from our extensive Growth Hub connections.

As part of our new quarterly 'Buckinghamshire Business Barometer' survey, we gather intelligence from businesses on their awareness of innovation support, and the impact and value of support they have received. This will inform our future focus.

In all of our activity we will look to lead a Team Bucks approach to utilise the willing support of our MP's but also to utilise the insight gathered by our Growth Hub team and Economic Development Colleagues at Buckinghamshire Council to connect more closely with recent and potential Innovate UK award winners operating in Buckinghamshire.

5 Immediate Priorities

Both the Space and Hydrogen strategies are due to be published in the summer of 2021 and detailed engagement is already underway to ensure that the Buckinghamshire assets and opportunities are accurately reflected in the new strategies. This ongoing engagement has included representation to select committees, the posting of questions for Ministers in the House of Commons, and individual briefings with departmental advisors.

We are currently mapping our innovation stakeholder relationships to identify current gaps and areas of emerging focus. We will link this activity to the future funding challenges being promoted by Innovate UK to ensure that we alert businesses who may be able to secure future awards. Running parallel to this we will look to arrange a programme of visits to our most important strategic locations as soon as the Covid restrictions allow. Those invited will include a delegation from UKRI/Innovate UK, DIT Team and BEIS Officials overseeing the National Space and Hydrogen strategies. Over the past 12 months there has been a significant development in the nationally unique assets which many will not be aware of and as we emerge from lockdown it is important that we move swiftly to alert key individuals of the validity of our investment propositions.

We will look to see how further Growth Hub resources supported by the core funding award can be focused on direct collaboration with businesses looking to innovate within our high growth sectors and will also look to identify further investment support as part of the Enterprise Zone implementation plan.

Board members are asked to:

- **Note the content of this report and support the development of a stronger innovation ecosystem in Buckinghamshire with initial focus on the National Space and Hydrogen Strategies.**