

Innovate UK

Minutes of the Governing Board's meeting

June 14th 2017

Double Tree Westminster Hilton Hotel, John Islip St, SW1P 4DD, London

Governing Board members present:

Phil Smith
John Latham
Hazel Moore
Gerard Grech
Tim Edwards
Harry Swan
Tera Allas
Priya Guha
Simon Devonshire

Innovate UK attendees present:

Ruth McKernan
Ruth Elliot
Kevin Baughan
Simon Edmonds
Ian Meikle
Ian Campbell
Paul Mason
Tim Sawyer
Mike Biddle
Nigel Walker (item 7 only)
Sophie Dale-Black (Secretary to the Governing Board)

Other attendees present:

Jenny Dibden – Department for Business, Energy and Industrial Strategy
Chris Molloy – Medicines Discovery Catapult
Graham Boulnois – Medicines Discovery Catapult
Mark Samuel – Medicines Discovery Catapult
Chris Reilly – Medicines Discovery Catapult

Apologies:

Michael Warren
Nigel Townley
Anne Shaw

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Agenda for the Governing Board's meeting

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	Time	Item	Presenter
1	12.00 – 13.00	Private session with Ruth <ul style="list-style-type: none">• GB_2017_06_14_Paper_1• GB_2017_06_14_Paper_2	
2	13.00 – 13.15	Full meeting starts <ul style="list-style-type: none">- Welcome- Apologies- Declaration of interests- Minutes of previous meeting	Mr P Smith
3	13.15 - 14.00	Chief Executive's update <ul style="list-style-type: none">• GB_2017_06_14_Paper_3	Dr R McKernan
4	14.00 – 14.30	Finance report <ul style="list-style-type: none">• GB_2017_06_14_Paper_4	Dr R McKernan Ms R Elliot
5	14.30 – 15.00	Regional team update <ul style="list-style-type: none">• GB_2017_06_14_Paper_5	Mr M Biddle
6	15.00 – 16.20	Medicines Discovery Catapult 5 year plan <ul style="list-style-type: none">• GB_2017_06_14_Paper_6	Chris Molloy, Chief Executive Graham Boulnois, Chairman Mark Samuel Chris Reilly
7	16.20 – 16.50	Innovation loans <ul style="list-style-type: none">• GB_2017_06_14_Paper_7	Mr T Sawyer Mr N Walker (item 7 only)
8	16.50 – 17.00	Update from Audit and Risk Committee <ul style="list-style-type: none">• Verbal update, no papers	Prof J Latham
9	17.00 – 17.10	AOB	

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2. Governing Board meeting

2.1 Welcome

Governing Board Chair Phil Smith opened the meeting.

2.2 Apologies

Apologies were noted from Nigel Townley and Michael Warren.

2.3 Declarations of interest

Tim Edwards declared that one of his family members had recently secured an Innovate UK grant. John Latham declared that he was an advisory board member for the National Growth Board.

Action – Sophie to contact John Latham and Tim Edwards to ensure their declarations of interest were up to date.

2.4 Minutes of the previous meeting

With an edit to section 15 of the minutes of the previous meeting, the Board agreed that the minutes were an accurate record of the meeting on March 30th 2017.

Action – Sophie to edit the minutes, recirculate to Board members and upload to the Innovate UK website.

3. Chief Executive's update

GB_2017_06_14_Paper_3 was presented. Ruth McKernan advised that the UK Research and Innovation Board members are currently being recruited, these are ministerial appointments. Changes to the structure of the Executive Management Team were noted, including the secondment of Anne Dixon to become UK Research and Innovation's Programme Director, the new roles for Kevin Baughan as Deputy Chief Executive, Mike Biddle as Director for Development and Sarah Vodden as Interim Director for Operations, and the arrival of Tim Sawyer as Chief Investment Officer and Michael Warren as Deputy Director for Communications. Ruth explained that she was discussing with the Executive Management Team how to structure the organisation for success in the future, particularly with the size of the Industrial Strategy Challenge Fund (ISCF) budget.

The Board formally thanked Nigel Townley and his team for their response to the Wannacry cybersecurity issues.

Ruth described progress in recruitment for the Interim ISCF Challenge Director roles. Fast-start recruitments were in the process of being finalised. Longer term recruitments for these three Challenge Director roles were noted as ongoing. Recruitment to the ISCF Programme Director role was also noted as ongoing.

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Board members advised that the use of language to describe the challenges was critical, especially in articulating the interdisciplinary nature of the challenges. Ruth explained that the wave 2 'deep dive' workshops were key to ensuring development of the challenge is not only within Government, as the challenges must have buy-in from both business and researchers.

It was noted that no public announcement regarding the Precision Medicine Catapult had been made at the time of the meeting (published June 26th 2017 on Innovate UK's website), but that assets were being transferred to the Medicines Discovery Catapult, following the agreement of boards of both Catapults.

The Board expressed their condolences following the death of Professor Patrick Johnston, Vice Chancellor of Queen's University Belfast.

Kevin noted that he had met with the Chairs of the Catapults and discussed with them the relationship of Catapults to the ISCF, that ISCF challenges scale out massively and that Catapults can have a lot of impact through the ISCF and the Industrial Strategy in general. It was noted that the Knowledge Transfer Network is putting together further ISCF events for later in the summer, to discuss the next challenges through deep-dive events.

The Board asked about communications around the Industrial Strategy Challenge Fund, and Ruth responded that as each challenge is announced, there would be a coordinated communications approach with the Department for Business, Energy and Industrial Strategy (BEIS) and the research councils. Wave 2 draft challenges would be communicated with sector experts through the deep dive workshops, to gain experts' insight, with funding announcements to follow. The relationship between ISCF and sector deals was discussed, noting that Alex Jones of BEIS had attended the previous day's ISCF meeting. The need for the ISCF to be aligned with 'place' developments was discussed.

4. Finance report

GB_2017_06_14_Paper_4 was presented by Ruth Elliot. The Board discussed how finances will be handled in the future – Ruth Elliot explained that this would be handled within UK Research and Innovation but with ring fenced funding for Innovate UK.

Ruth Elliot explained that decisions regarding the new finance and HR system were expected before the next Board meeting.

5. Regional presence and strategy

GB_2017_06_14_Paper_5 was presented by Mike Biddle.

Mike explained that regional strategy and the ISCF were being linked together, with all regional managers having information on investments from ISCF wave 1, for use in stakeholder meetings.

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The Board discussed options for how to award funding in the future to ensure cross region representation. Mike explained that the regional team are incentivising investment naturally by asking regional funders to consider what they wish to fund, from competition lists of projects above Innovate UK's quality threshold, after Innovate UK has funded the top scoring projects. This was helping local funders to use the national quality bar in making their own funding decisions. It was noted that some Local Economic Partnerships had asked for guidance on Innovate UK's opinion of proposals they receive, and Innovate UK colleagues have responded with support in terms of information on where industries and businesses are based within regions and nations.

Board members agreed that data dashboards for regions were proving useful for showing regional stakeholders what is being achieved with Innovate UK funding, and it was important to add other support like access to finance to help clusters develop, not only rely on funding.

Mike Biddle left the meeting.

Jenny Dibden joined the meeting.

6. Medicines Discovery Catapult 5-year business plan

Chris Malloy, Graham Boulnois, Mark Samuel and Chris Reilly joined the meeting.

GB_2017_06_14_Paper_6 was presented.

The Board asked a number of questions focusing on the facilities that the Catapult would make use of in the North West, the routes of support for SMEs through the Catapult, how the Catapult would work with existing Catapult centres such as the Cell and Gene Therapy Catapult and the High Value Manufacturing Catapult, how the Catapult would convene and collaborate with commercial ventures operating in this technical area, and how the Catapult would engage with academics.

The support of Kath Mackay, Head of Discovery and Precision Medicine at Innovate UK, in preparing the business plan was acknowledged.

The Board decided to endorse the 5-year business plan, adding a funding breakpoint after 1 year if this proves necessary as a result of the ongoing BEIS Catapult review and the creation of UK Research and Innovation.

Action – Jenny Dibden to follow up on confirming funding for the Medicines Discovery Catapult following the endorsement of the Board.

Chris Malloy, Graham Boulnois, Mark Samuel and Chris Reilly left the meeting.

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8. Verbal update from Audit and Risk Committee

John Latham, Chair of the Audit and Risk Committee, gave a verbal update from the Committee's meeting earlier that morning.

The Committee were keen to ensure the investigations and counter-fraud work was taken to the next level by looking at how to recover any funding found to have been misused and to incorporate appropriate wording into contracts.

7. Innovation loans

Nigel Walker entered the meeting. GB_2017_06_14_Paper_7 was presented by Tim Sawyer and Nigel Walker. The Board agreed to the creation of the Innovation Loans Strategic Oversight Committee, as a sub-committee of the Governing Board. The Board endorsed the approach presented in GB_2017_06_14_Paper_7 and the innovation loans team was asked to continue with its plans.

Nigel Walker left the meeting.

2.3 Declarations of interest (continued)

Jenny Dibden declared that a family member had received an Innovate UK award.

Action - Sophie to contact Jenny Dibden regarding declaring this interest

9. AOB

None.