

Announcements

- 1 Mr Smith welcomed members to the meeting. Mr Smith asked for any declarations of interests from members. Dr McKernan reported that her son has been offered a summer job at the Satellite Applications Catapult, and Mr Edwards noted that his son had received an award from the Digital Catapult. Mr Smith noted that apologies had been received from Professor John Latham; Mr Paul Mason; Mr Nigel Townley and Mr Patrick Jarvis.

Minutes of Previous Meeting

- 2 Mr Smith asked for any comments on the draft minutes of the previous Governing Board meeting. There were no further comments and the minutes were approved.

Chief Executive's Report

- 3 Dr McKernan introduced her update report to the Governing Board noting that the report had also been shared with Mr Stian Westlake and Ms Rebecca Endean. Dr McKernan confirmed that she and senior colleagues are investing significant time in making preparations for the transition to UKRI and in development of the Industrial Strategy Challenge Fund (ISCF).
- 4 Dr McKernan reported the office move in Swindon had gone well, as had the visit to the new office space by Mr Alex Chisholm, BEIS Permanent Secretary. Dr McKernan, Mr Smith and Ms Moore had met with a candidate for the Chief Investment Officer role who will, subject to formal agreement, be seconded to Innovate UK to help build loans capability.
- 5 Ms Dixon confirmed Innovate UK had run a Mental Health Week which had been well received by staff.
- 6 Dr McKernan introduced Innovate UK's diversity statistics for employees. The meeting noted cultural change starts with monitoring. Mr Smith commented there were lots of programmes at Cisco and elsewhere to encourage women to look at promotion; returning to work etc, and that Cisco would be willing to share learnings. Dr McKernan emphasised the ongoing success of the Women In Innovation campaign which has helped raise the profile of Innovate UK. Mr Edmonds updated the Board on the current Girls in Innovation activity.
- 7 Dr McKernan updated the Board on Innovate UK's global activity. Dr McKernan is part of Minister Jo Johnson's Brexit Group, and Innovate UK has input into the Science and Technology Select Committee's review of skills, Horizon 2020 and institutes. Mr Hodgkinson noted that reports received from Mr Sivasegaram Manimaaran were excellent. Mr Baughan updated the Board on the work done on global competitions and progress on the first bilateral agreements, confirming that £10m for the China bilateral has been underwritten by BEIS. Additional funding will be required for further bilateral and multilateral agreements, subject to confirmation of any Autumn Statement funding allocation for this.
- 8 Mr Meikle thanked the Governing Board for reviewing the Energy Systems Catapult (ESC) delivery plan, and noted that Mr Smith had sent a letter to Sharon Ellis at BEIS confirming all members of the Innovate UK Governing Board had endorsed the plan and supported its submission to ministers for final approval. Mr Meikle reported the ESC plan was with the

Secretary of State for approval. The Board discussed the upcoming BEIS review of Catapults, and the importance of businesses articulating the value of Catapults. The Board were updated on the status of various Catapults as part of the Sector updates.

Finance Update

- 9 Ms Elliot presented the finance update report. The Governing Board noted the current financial position for 2016/17. Ms Elliot noted that
- The volatility of company forecasting remained an issue: further work to analyse and anticipate this will be done for 2017/18
 - Innovate UK will be close to the Period 9 forecast which BEIS requested Innovate UK to meet
 - The financial stabilisation programme was progressing well: the upgrade in February has stabilised the Sun system and will enable rollout of invoice scanning

Risk Management and Update from Audit and Risk Assurance Committee

- 10 Mr Edwards provided an update from the recent meeting of the Audit and Risk Assurance Committee held earlier in the day. Ms Elliot noted that a risk management process is being embedded within Innovate UK with a rolling review of directorate and strategic risk registers. The Board considered the strategic risk register with key topics being resources and the need to prioritise. The Board requested that a reputational risk should be added relating to Catapults and the impact of any reduction in funding available for sector competitions.
ACTION: Ms Elliot

Delivery Plan for 2017/18

- 11 Mr Biddle attended for the next two agenda items and presented from slides. The draft delivery plan has been submitted to BEIS. The Board discussed the purpose of the delivery plan and its intended audience, with the potential to have different sections for businesses and for other stakeholders. **ACTION: Mr Biddle** to update the delivery plan based on Board discussion.

Industrial Strategy Challenge Fund

- 12 Mr Biddle presented slides to update the Board on the Industrial Strategy Challenge Fund (ISCF). BEIS are awaiting Ministerial sign-off of funding which is required prior to notification of projects in the first 'wave'. Dr McKernan reported that work has been done on developing a governance model for ISCF, and the approach for developing further challenges beyond the first three announced in the March budget.

Managing Portfolio to Budget

- 13 Ms Dixon introduced the paper. The introduction of the new Innovation Funding Service (IFS) will be critical to managing the increasing level of applications and projects, and the assessment of the service in April will be shared with the Governing Board.

Any Other Business

- 14 Ms Dixon noted that Innovate UK will be ten years old in the summer. There is a staff barbeque on 6th July in Swindon. Dr McKernan proposed a more formal external event showcasing Innovate UK impact. The Board endorsed this and Board members were asked to provide innovative ideas to Ms Wallace as part of the planning for the event. **ACTION: Board Members**
- 15 Ms Lindsay reminded Board members that completed Conflict of Interest forms should be returned to Mr Jarvis. **ACTION: Board Members**

Summary of Actions Agreed

Action Agreed	Responsible	Target Date
Update the Strategic Risk Register based on Board input	Ms Elliot	Jun 2017
Update the draft Delivery Plan based on Board input	Mr Biddle	April 2017
Provide innovative ideas on how to celebrate Innovate UK at 10 to Ms Wallace	Board Members	24 April 2017
Provide completed Conflict of Interest forms to Mr Jarvis	Board Members	Closed