



**Meeting of the Innovate UK Council
Thursday November 28th, 2019
Summary of meeting**

Council members were welcomed to the Compound Semiconductors Catapult in Newport. The Council was deemed quorate. The minutes and actions of the previous Council meeting which took place on the 26th September were agreed and deemed accurate.

Executive Chair Overview

Potential discrepancies in the claims for overhead recovery rates for CR&D projects by three of the High Value Manufacturing Catapult Centres and the Satellite Applications Catapult was discussed. A thorough independent audit will take place, the scope of which has been approved by UKRI's Chief Finance Officer.

Earlier in the year KPMG were asked to undertake a review of Innovate UK processes. Innovate UK have been progressing and implementing the changes requested, with all high-level issues having been addressed. Further developments will build on the outcomes of this review.

The culture of the organisation was discussed. It was noted that the number of FOIs are decreasing in proportion to Innovate UK's budget growth. Council recommended producing proactive FAQs and communications, building on the good feedback received from the business community.

Sharing in Success: Innovating Innovate UK's Grant Offer

Options for a Shared Success model, where Innovate UK grant funding is associated with shared success in the event that the business reaches an independently verified level of success were discussed. The Council suggested that this should include a level of compensation when either the Company or the IP created through Innovate UK's support is taken overseas. A working group is to be established to lead the development of a pilot programme. Council were urged to contribute.

Single Investor Partnership Model

Council debated models of operating the successful Investment Accelerator programme, which leverages Innovate UK's funding with that of commercial investors, to bring equity, investment and R&D capacity to early-stage businesses. This will be discussed again at the February Council meeting with the aim of adopting a single mode of operation.

Presentation and tour from Stephen Doran, CEO of the Compound Semiconductor Catapult

Council also visited the Innovation Centre and saw how businesses are exploiting advances in compound semiconductors.

EU Exit and Grants

Council were made aware of work to date to ensure continued funding for those who are currently receiving EU Funding and Grants post Brexit. In the event of a no-deal Brexit, UKRI will concentrate on delivering continued funding to programmes, whilst remaining involved in the discussions regarding associated status and the development of a domestic alternative.

Reforming our Business

Innovate UK is actively participating in the UKRI Reforming our Business project whilst undertaking a thorough review of operations and delivery functions. The organisation is undertaking customer-led research to gain a representative view of opportunities to simplify and reduce bureaucracy. It was recognised that the implementation of IFS has improved business' experience. Work is ongoing to improve the funding service and other transformation projects are building momentum and optimising the allocation of resources.

ISCF Wave 3

Council members were provided with an update on progress with ISCF Wave 3. Seven of the challenges are now underway. The spread of industrial funding across the challenges was observed. It was explained that this is largely sector related.

Council feedback on information papers

Council agreed that the papers were useful, show strength and depth, and contained appropriate detail.

The formal minutes of this meeting will be approved at the Innovate UK Council meeting on February 13th, 2020.