Innovation Sub-Group Meeting

Wednesday 15th June 2020, 11:00 – 13:00

Virtual Microsoft Team Meeting

Join Microsoft Teams Meeting

Agenda

Members present:	**Lesley Thompson (LT):** Chair & VP Academic & Government Strategic Alliance Elsevier **Sarah Haywood Price (SHP):** Managing Director Advanced Oxford **Simonetta Manfredi** (**SMf):** Associate Dean for Research & KE Oxford Brookes *in attendance for Prof Linda King* **Roger Neal (RN):** Sophos UK **Jane Galsworthy (JG):** Director of Programmes Oxford Innovation /AO Rep **Barabara Ginnelli (BG):** SFTC – Dialed in **Agne Milukaite (AM):** Cycle land **Stuart Martin (SM):** Catapult **Ian Chapman (IC):** UKAEA
Apologies:	**Chas Bountra –** Oxford University **Paul Beasley (PB):** Professor of Energy Systems and Head of R&D Siemens UK **James Colgate (JC):** Williams Engineering **Andrew Harrison (AH**): Diamond Light Source **Debbie Buckley– Golder** (**DBG):** Innovate UK
In attendance:	**Phil Clare (PC):** Deputy Director, Knowledge Exchange & Engagement, Oxford University **Thandiwe Hara-Msulira (THM),** OxLEP **Sebastian Johnson (SJ)** OxLEP **Ahmed Goga (AG)**, OxLEP **Josh Fedder (JF)** BEIS **Alexandra Capatra (AC)** OxLEP **David Legg (DL)** Innovate UK **Atwal Amzie (AA**): Cities & Local Growth

Item

1. Welcome, Introductions and Apologies.

2. Matters Arising & Minutes of the Meeting held on 4th Dec 2019

IPO Presentation: It was noted that the original parameters of what Puja was describing in the last meeting have moved considerably.

Action: The Innovation Sub Group will re-set the parameters and we will refer back. In addition, Puja has moved on to a new role, so there opportunity to review what we want from this project.

3. BEIS update on 2.4% (R&D) – Josh Fedder

Josh has expertise in economic recovery planning. The Government focus on National Industrial Strategy remains very valid and it continue through the recovery period. There are five ministerial round table discussions going on that we can feed into namely:

- Net Zero
- The future of industry
- Backing new business
- International investment
- Increasing opportunity – Levelling up agenda.

ISG Members are encouraged to feed into these round tables and Josh can provide the feedback links. The Chief Executive of Arriva and Cameron Hepburn from Oxford are on some of these groups. They encourage suggestions of more Oxford names.

SHP It would be good to open these up to a broader view. However, the time scale for responding to the round tables is too short to support evidence-based responses. It would be good for BEIS to also create a feedback loop rather than just take up the information.

Action: All to put forward your responses and suggestions to Josh and copy the OxLEP team in.

JG: It would be good if BEIS can create a feedback loop rather than just collect the information.

National Economic Recovery Plan (ERC) – We don't know what it looks like yet. Presently the ERC is looking at recovery in 3 phases

- **Immediate Response** – This is about identifying oven ready projects – What projects can we green light or accelerate with an economic stimulus?
- **Medium Term** – This is split into two parts:
  - i) Projects that may support the business support interventions including EU transition
  - ii) Projects that are stimulating growth sectors, deregulation and investing in skills for the future economy.
- **Longer Term (next 3 years and beyond)** – What is next for the grand challenges? How do we sow the long term seed for a future economy?

Research and Development: R/D has been poor in poorer regions so distributing R/D spend across these regions is more difficult and may depend on increased collaborations within institutions. There is also need to simplify systems for end users.

There is likely to be an increase in place focused R/D funding or inclusion of place outcomes in R/D settlements.

There are also issues around place-involved decision making in the whole R/D system, and there are concerns around whether decision makers are London centred and how more spread can be achieved.

Local R/D leadership.

Work currently being finalised includes:

i) R/D Place strategy

The aims are to:

- build on existing emerging strengths and places;
- increase collaboration between local institutions;
- increase R&D intensity in areas with high potential for future growth;
- provide tailored innovation led support on less R&D intensive regions;
- simplify the systems for end users.

The aims have been packaged into three distinct work streams:

- increase in place focused R&D funding or inclusion of place outcomes in R&D settlements;
- how place informs decision making across the whole R&D system;
- fostering greater local and national co-creation of policy – how to bring local voices to central policy making;

Other work being concluded include the devolution White Paper, the Spending Review and the ERP across each area of United Kingdom.

LT wanted to know who is on the 5 business groups.

JF: Largely national players. A list is being assembled and they will be able to circulate to the group soon.

AG: The Chief Executive of Arriva and Cameron Hepburn are on some of the groups working on these. We would encourage more suggestions of Oxford names.

Action: All to suggest local voices to join the roundtables discussions to Josh and copy AG.

4. LIS Update and Economic Recovery Planning – AG

Where we are: The LIS process has been a very important process towards achieving the investment plan of pipeline projects.

There are 15-20 business cases covering a range of areas and key clusters such as Space, Life sciences, across Oxfordshire, including Harwell Calham and Begbroke.

Other projects cover the important elements which enable innovation ecosystems, such as Living Oxfordshire.

The plan is to finalise this piece over the course of July and put it to bed with a special board session.

Local Economic Recovery Planning. Sitting alongside the LIS is the task of developing the ERP and this is more near term. We are identifying particular areas that could be part of the near term recovery work. The recovery plan is short term and time scales are still shifting.

The place based element – We have been very clear to emphasise that the Government levelling up agenda does not mean levelling down. The national ERP depends on Oxfordshire's continued ability to deliver tax receipts to the treasury

However, the ERP also includes medium term stabilisation of the economy.

SHP – Recognising the macro economic environment that we find ourselves in now, to what extent do you think there will be funding for the LIS projects? Given that the previous assumption was that LIS would be funded via the CSR event? Do we need to tweak some of the projects to see whether we can find alternative ways of funding these if the CSR doesn't come through for them?

AG The projects are being sense checked. As it stands. But one of the advantages is that this process supports advanced thinking. We expect that there may be series of fiscal events and all the LIS proposals may meet criteria. We may need phasing of some of these projects

SM: Noting the risk of unemployment which may disproportionately fall on women and younger people, including researchers and people on fixed term contracts, what can be done to mitigate impact on them?

AG: We know that they are looking for projects that are ready to go, and there are things in the LIS that need further development. We also know that the risk of unemployment may disproportionately fall on women and younger people, including researchers and people on fixed term contracts.

One of the frontline LIS proposals is the Oxfordshire Social Contract which is being developed by the OxLEP Skills Team in collaboration with the Skills Board. We can check if colleagues at Oxford Brookes are plugged into that discussion.

ACTION: Will pick this up offline – it will be interested to know who AM has already spoken to.

BG: In order to be successful across the UK and other areas then places like Harwell are really important and as an innovation ecosystem they can support the wider economy and new business.

AG: Revenue is important in a recovery scenario. We may need to review projects and we need the revenue to make them work for the current economic environment. The group is encouraged to rethink if proposals are agile enough.

SHP In the short term, the future fund is directed at more mature companies in the scale up. Therefore there are structural issues in that this fund is not supportive of angel investor models. One of the suggestion is that angel investors could sit alongside traditional investors.

AG: We have raised these issues for a fund for Oxfordshire and we may want to revisit these discussion and revenue based proposals at that time.

SHP New London Architecture published some work around the built environment and innovation spaces. From all of the development and architectural practices including recently, the signals are that the demand for space has not cooled at all despite COVID 19.

Locally, Bidwells report an ongoing demand for space. However, The picture is not clear on retail space either so it may be early days.

PC – On the innovation side, there will still be demand for anything which has any kind of scientific or laboratory-based aspect to it. The University is already looking for new ways of working in the future.

BG – We are still getting new inquiries on the campus. There will be need to reflect on some changes and there is need to think of a new more flexible working environments. It will be a different dynamic than what we envisage to date.

AG It could be good to get feedback from people on their own development plans and of those they work with, in terms of what is likely to happen so we can compare with the date we are getting from Bidwell and others.

5. COVID Impact on Oxfordshire Innovation Ecosystem

Discussion on the status and impact of Covid on the Oxfordshire Economy. Innovation sub-group members were invited to share insights on their businesses and sectors as well as emerging issues.

This was an extension of the above discussion, covering feedback about what COVID impact is having and it was an opportunity for members to feed in their observations and pull those together.

SM: At Oxford Brookes the focus is very much on resuming work on the labs. Also, because of the multitude of the open spaces, they are likely to adopt a mixed model for students and employees and there is a possibility to blend studying and working from home with some presence on the campus.

PC : There has been significant impact on the University's activity including intensifying science. The vaccine work may have a profound impact on the administration, life in the UK, and globally.

IC: 200 out of 500 people who cannot work from home are back on site with some new safety arrangements. Those who can work from home are lower priority, but there is also need to identify who among this groups would be more efficient if they had to come back to work.

RN mostly still working from home except for critical workers. Everyone else is still working from home but they will now look at a rota of some sort including attendant logistics such as cleaning of where people sit. There is still need and value in some face to face working.

AM There are some pros and cons and wider changes will have to be made across Oxfordshire. It is exciting that there is a commitment in terms of active transport and looking at how we adapt this for the longer term vision.

PC: More than a third of the universities turnover is on grants so this is critical to contracts. The EU is also a big funder as are charities and all these have been affected in some way. At the heart of the planning is how to preserve our excellent workforce without too much interruption. There has been a lot of positive publicity and a lot of attention to the university's research, with much of the media mentions around vaccines being about Oxford. Therefore there is an opportunity to promote the Oxford innovation ecosystem around science and implication around wider perspectives.

SM Brookes is grappling with similar issues around grant durations, researcher contracts, and retention of works force. They have taken up the furlough scheme and are protecting jobs as much as they can. Other issues relate to whether we are at risk of missing a generation of researchers, because the environment does not help this group of employees, who already find it tough to remain in employment even in the best of times.

JG: Our innovation centres are set to be opened with all the measures in place. The innovations engine investment network show case event has moved online and it has been well attended, with plenty of companies wanting to pitch. Advice and business coaching is all online now and they are looking at online accelerator, peer groups support, and coaching. It appears that 20% of companies are doing better than normal, 30% are in paralysis and 50-60% are in the middle of working out the way forward.

BG –The current situation has strongly highlighted how important certain labs and facilities are in moments of crisis like this. Oxfordshire has been supportive of companies, and many labs have been open to companies in their search for Covid-19 responses and we are opening our labs more widely. We are receiving companied back, and aiming to achieve 30% of the workforce back and the priority is access for labs.

SM : We are trying to do the right thing for staff, acknowledging that they have experienced the lock down in a range of different ways. The office opens again shortly because there was a cohort who want to work from the office. Others though feel they are comfortably able to work from home and are feeling anxious about coming back to the office at all until there is a zero risk but this can't be done. Others re also anxious of public transport and feelings that once the offices open they will be pressured into coming back. In addition, there is a big mental health challenge around this that could become more apparent.

SHP: In terms of business development, we need to start understanding how the younger companies are experiencing these new ways of working and if we can put more support on in terms of master classes from more experienced businesses around how to do business development over the course of next couple of years.

Anecdotally, companies are falling into two groups. Those who have been able to access some opportunity e.g. in north America, getting access to more senior people, using their ability to use online platforms and those who are younger in businesses. The second group may have been able to access webinars online but there seems to be some gaps on business development

AG: It would be helpful if we also had an ability to understand the situation for apprentices within the ecosystem including any information of what the situation is, and whether we want to have more etc.

6. Innovation Sub-Group Work plan 2020/21

To discuss the priorities for the sub-group in the following 12 months. Areas will include:

- *IPO Pilot*
- *Women and Entrepreneurship*

We are making progress on both the IPO Pilot and the Women and Entrepreneurship projects using the expertise within this group.

As we are coming to recovery, we should also add in the zero carbon agenda going for the green growth subject. Also, given the impact that Covid-19 is likely to have on a mid to long term on the young people, the skills subject in particular should also be added to the agenda. We can draw up a list of subject areas and do some prioritisation over the next year, so that group members can decide on prioritisation.

PC: Reported back on the women and enterprise work. The biggest problem is getting good data about gender for spin out founders, as the University doesn't record that. Hence, we have used inferred data to get a baseline. This suggests that out of 181 spin out companies of which 159 are active, just under 17% have at least one female founder (co-founder), 22% have at least one female at the C-Suite level, 8% have a female CEO, 32% with at least one female Board Member. Few have a gender balanced board.

These figures give us a benchmark on how we can work that forward. Based on these, some internal thinking has been done on how to action forward and these include:

- How to increase number of women entrepreneurs – We are working on programmes like Rising-WISE and foundry accelerator.
- How to increase the numbers of women in management of University's spinouts - OSI have recently signed up to the equality contract for investors and looking at how we may do more on this.
- How to increase the numbers of balanced boards

Although the current focus is on women, the conversation is for diversity on all of its forms.

SMf: The figures about the proportion of the percentage of women in either founder or co-founder are similar with the ones identified at Brookes. This is a good opportunity to reinforce a point about improving data gathering in the ecosystem that is also about what other university are doing.

PC: The work we are doing together is to get better data to demonstrate success. The High Flyers Programme is something we would like to see worked up.

Also, we can tackle the whole knowledge exchange conundrum – how do we get people in start-ups, spinouts, business engagements to have a serious engagement with diversity issues.

AM – Agree that the diversity and inclusion subject should stay in the agenda. The Working with Women and Enterprise at Oxford University has stayed firmly in the agenda despite Covid-19 challenges. The data is across the line for everybody as many organisations are struggling, but this should not stop us from moving forward.

SMf: The work on gender diversity has been informative. There are things we can do about the way the society operates that will tackle working to include all diversity groups.

AG – The sub-groups members can liaise with Simonetta and David Hartley if they want to add input into the high Flyers Programme. We have lots of examples of business female led start-ups but we are not promoting and evidencing them enough.

LT: There are some signs that the Oxford innovation ecosystem is being driven by some of that diversity and could be driven even faster and further.

7. Any Other Business

None raised

8. Dates of next meetings (location TBC):

- 23rd Sept, 14:30-16:30
- 16th Dec, 14:30-16:30

Electronic invitations have gone out.