

Scotland CAN DO Business Innovation Forum 24 April 2018 - 10.00-12.30 Minutes

1. Welcome

Mr Wheelhouse (Chair) opened the meeting, thanked everyone for attending, and after noting apologies, (Annex A), invited round table introductions. Members were advised of the new responsibilities under the <u>Lobbying Act</u>.

The Chair thanked members for their feedback following the last meeting in November 2017 which informed the three themes that will underpin this year's meetings; Future Scotland; Collaboration and Raising Levels of Business Innovation. The discussions throughout 2018 will help influence key Scottish Government policy documents as well as evolve the Innovation Action Plan which was published in January 2017.

2. Innovation progress and activity followed by Q & A

Richard Rollison presented on the current economic position, and recent and future innovation activity. To ensure an open and transparent process, copies of the presentations will be published online alongside the minutes. Key points included:

• Directly encourage more business innovation;

- Recent Activity: Developed Venturefest Scotland 2018-2020 programme in collaboration with stakeholders.
- Future Activity: The 2nd cohort of SE's Open Innovation Programme is being recruited, with interest so far from Scottish Water, Thales and Babcock International.
- Forming a cross Government and agency group to develop 'Raising Ambition – Business Innovation' communications plan in a consistent and effective manner.

Public sector needs and spend to catalyse innovation

- Recent Activity: The 2nd call for the CAN DO Innovation Challenge Fund closed on 19 January 2018 with 41 submissions.
- Future Activity: The 3rd Round of the CAN DO Innovation Challenge Fund closes on 15 June 2018.

Sectors and Places

- Recent Activity: 'HIE Time to Innovate' launched on 16 February to encourage those previously untapped businesses looking to do something new to get in touch for support and funding. Enquiries in one day were double that achieved in a normal month.
- Future Activity: The Open Innovation Platform is currently in development and will support collaboration in innovation on future skills standards.

• Research knowledge and talent

- Recent Activity: Overall Knowledge Exchange income to Scottish HEIs has risen by 4.9% in the past year and the number of new spin off companies reported by Scottish HEIs was 213 in 2016/17, an increase of 17.0% on the previous year.
- Future Activity: £500k College Innovation Fund is launching at the end of May 2018.

The Chair thanked Richard and invited discussion. Key points included:

- It was surprising that non-indigenous companies are responsible for so much innovation activity, but it was noted that these companies possibly had a larger development budget.
- Some noted that businesses can find it easier to concentrate on savings or efficiency but they should focus on new products rather than process: products, for example, generate revenue which will help the company grow.
- It was felt that both innovation and leadership skills development was lacking, as was the identification of exemplars from whom others could learn.
- Additionally, it is essential for universities and colleges to be in touch with where businesses are heading, with the innovation centres helping and intensifying the relationships.
- Knowledge Transfer Partnerships are a proven way to bring innovation into a business and companies prefer these as they are well established.

The Chair thanked members and introduced Geoff Mulgan, CEO of Nesta.

3. Future Scotland - the Challenges and Opportunities.

Geoff focused on four themes; Geopolitics, Demographics, Technology, Work and noted the emerging new agenda around the knowledge economy, and the possible shift to a very different focus.

The Chair thanked Geoff and invited discussion. Key points raised included:

- Reskilling: Geoff advised that an analysis of job adverts showed the skillsets sought by employers and those displayed by jobseekers. The difference between these could help identify areas where the minimal retraining of jobseekers would allow them to meet employers' requirements. It was agreed that training in the right skills was essential to create the quality workforce businesses needed to grow and thrive.
- Exposing a future workforce to innovation from an early age would also help to create a culture of innovation across all areas of society.
- Diffusion of Innovation: The discussion moved on to consider diffusion of new technology, in particular how to drive adoption of innovation and tech by SMEs. Members agreed however that new tech would perhaps have a localised or sectoral impact until it could be considered elsewhere and used in other innovative ways.
- Rates of Change: It was also noted that sectors innovate at different rates,
 e.g. Digital is fast but aerospace may be comparatively slow.

4. Innovation Snapshots

The Chair introduced the final session of the day and referred members to the discussion paper which had been circulated. He noted that discussions with members following the last Forum have reinforced their commitment to driving business innovation and also highlighted their desire to create a mechanism to inspire this.

To this end, members were invited to design an innovation snapshot template, including not only the content, but also the process for completion, e.g. who should complete this, how will it be completed, etc. This template should assist sectors and businesses to identify common goals, shared challenges, potential collaborations, etc. These completed snapshots shall assist in the refresh of the Innovation Action Plan in 2019, as well as contribute to the design of important policy documents.

At the end of this session, the Chair thanked members for their contributions and advised that the secretariat would create the template from the comments made and circulate these for completion by 10 August 2018.

5. Closing Remarks

The Chair thanked all for their attendance and participation and Kevin Baughan was thanked for his contributions at both this Forum and the Scotland CAN DO Innovation Forum, and wished well for the future as he is standing down from Innovate UK.

Members were advised that the First Minister had accepted the Chair's invitation to attend the next Forum on 25 September 2018 where they would be invited to present the completed innovation snapshots. The secretariat will advise the time of the meeting and the venue as soon as they can.

Actions

- Circulate Richard's and Geoff's presentations Secretariat (Post Meeting Note Cleared)
- 2. Outcomes from the discussions to be collated and an Innovation Snapshot template to be progressed **Secretariat**
- 3. The finalised template will be issued to the first tranche of members, who shall complete this, supported by and working with officials and others to submit a finalised version by 10 August 2018 **Members**
- 4. Advise the venue and time of the next Forum meeting on 25 September 2018 **Secretariat**

Secretariat, May 2018

Attendance

In Attendance:

Paul Wheelhouse, Minister for Business, Innovation and Energy (Chair) Ian Hunter, SSAC Will Hutton, Big Innovation Centre Stephen Ingledew, Fintech Scotland Sandy Kennedy, Entrepreneurial Scotland Irene McAra McWilliam, Glasgow School of Art Geoff Mulgan, Nesta Derek Norwood, Devro Ian Phillips, Oil and Gas Innovation Centre Polly Purvis, Scotland IS
Richard Rollison (Deputy Chair)
Deputy Director, Innovation,
Investment & Industries Division
Nora Senior, Chair, Enterprise and
Skills Strategic Board
Reemah Shanab, Lucidly
Hannah Smith, Renewable Energy
David Thomson, Food and Drink
Joe Tree, Creative Industries
Laurence Ward, Technology Advisory
Group

Partners and Scottish Delivery Bodies

Kevin Baughan, Innovate UK Donna Chisholm, Highlands and Islands Enterprise Stuart Fancey, Scottish Funding Council Laura Goodfellow, Interface Ian McCoull, Scottish Enterprise Keith McDonald, Scottish Funding Council

Apologies

Henk Berits, Tourism Industry Leadership Group Audrey Cumberford, Colleges Scotland Patricia Findlay, University of Strathclyde Graeme Jones, Financial Services Advisory Board Andrea Nolan, Universities Scotland Dave Tudor, Life Sciences Scotland Siobhan Jordan, Interface Gordon McGuinness, Skills Development Scotland Jim Watson, Scottish Enterprise

Secretariat

Karen McAvenue, Scottish Government

Sharon Miller, Scottish Government June Love, Scottish Government