

## **Independent Review of Innovation Centres Programme - led by Professor Graeme Reid**

The Innovation Centre (IC) programme<sup>1</sup> was established by Scottish Funding Council, in partnership with Scottish Enterprise and Highlands and Islands Enterprise, in April 2012 and to date eight ICs have been funded. The vision for the programme is:

*“Using the Scottish university infrastructure, human resources and research excellence as a platform for collaborations across the whole of Scotland, Innovation Centres will create sustainable and internationally ambitious open communities of university staff, research institutes, businesses and others to deliver economic growth and wider benefits for Scotland.”*

The IC programme has a central place in Scotland Can Do, the Scottish Government’s framework for innovation and entrepreneurship. In ‘Scotland’s Spending Plans and Draft Budget 2016-17’ (announced 16 December 2015) the Scottish Government included the ICs in its ambitions for ‘supporting innovation-led economic growth’.

Our strategy, as set out in the original call for proposals, indicated that in order to create sustainable communities, core funding for successful ICs may need to be of longer duration – potentially 5-10 years. We also envisaged that the level of support required from public funding should decrease over this timescale as successful ICs establish sustainable business and funding models.

Our monitoring and evaluation framework indicates that the ICs are making good progress but we are now at a point in which we need to form an independent evidence base for SFC and its partners to make judgements on the economic viability of the programme and inform future funding decisions.

### **Terms of reference**

This review will focus on the delivery of the original vision, aims and objectives of the programme as a whole as set out in Annex A. The review will be independent – led by Professor Graeme Reid, supported by an Advisory Committee and an appropriately procured consultancy which will produce an economic impact analysis as part of the review’s evidence base. This approach has been chosen to ensure transparency of the review and the credibility of its recommendations.

This review will cover the programme – its structure, drivers and oversight - including the role of the partners (Scottish Funding Council, Scottish Enterprise and Highlands and Islands Enterprise) and the innovation centres themselves. The review will look at progress and likely success of individual ICs while recognising that the review comes relatively early in the term of the programme. The output of the review will be a report from Professor Reid to SFC’s Board in September 2016. The final report

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<sup>1</sup> [www.sfc.ac.uk/innovationcentres](http://www.sfc.ac.uk/innovationcentres)

will support SFC and its partners (both Scottish Enterprise and Highlands and Islands Enterprise will also make appropriate use of the final report) in their strategic development of the programme<sup>2</sup>.

### **Advisory Committee**

The Advisory Committee, chaired by Professor Reid will meet five times in Edinburgh over the summer months. Its role will be to request and review documentation, and interview key groups of people. Its membership will be drawn from business, academe, other UK funding bodies and those with knowledge and experience of Scottish KE landscape including representation from SFC's governance structure. SFC, SE and HIE staff will not be included within membership as their role in development and ongoing delivery of programme could be covered by this review. Observers from SFC, SE, HIE and Scottish Government will be invited to attend Committee meetings. The other members of the Advisory Committee are;

- Professor Tim Bedford, Professor of Risk and Decision Analysis, University of Strathclyde, SFC RKEC member
- William Findlay, GlobalScot Network, former president of Cameron International.
- Alex Herbert, Senior Higher Education Advisor, Research Policy Team, HEFCE
- Douglas S. Mundie, Saltire Business Solutions, SFC Board and RKEC member
- Alex Saxon, Associate Director, Research Councils UK

### **Confidentiality and data protection**

Information provided in response to this review (consultation, responses to written requests, evidence given at Advisory Committee meetings, formal conversations with Professor Reid) including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004). If individuals want information, including personal data that they provide to be treated as confidential, they need to be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

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<sup>2</sup> SFC would envisage, should its Board agree to continue to support the programme in the future that the Chief Executive would seek delegated authority to consider any proposals for future SFC core funding from the first eight ICs – partly informed by the review's findings – on an individual basis, as and when ICs are ready to discuss future business plans, and with appropriate due-diligence. *It should be noted that, as with all SFC strategic investments, current and future funding are subject to availability of funds.*

In view of this it would be helpful if they could explain to review why they regard the information they have provided as confidential. If the review receives a request for disclosure of the information it will take full account of their explanation, but the review cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by IT system will not, of itself, be regarded as binding on this review.

## Annex A

As detailed in the original call for proposals ([www.sfc.ac.uk/innovationcentres](http://www.sfc.ac.uk/innovationcentres)), the vision for the IC programme is:

“Using the Scottish university infrastructure, human resources and research excellence as a platform for collaborations across the whole of Scotland, Innovation Centres will create sustainable and internationally ambitious open communities of university staff, research institutes, businesses and others to deliver economic growth and wider benefits for Scotland.”

And the **aims and objectives** are:

- To offer collaborative knowledge exchange and research activities to help solve industry defined problems and co-create innovative opportunities for growth;
- To enhance two way knowledge exchange between universities, industry and others towards realising tangible benefits for businesses while also stimulating and challenging the Scottish research base;
- To provide an environment that supports the development of the next generation of business innovators, academics and entrepreneurs in Scotland and a culture change towards greater and more effective university/industry collaboration;
- And to simplify the innovation landscape in Scotland through creating conduits to the university knowledge and expertise for all businesses in Scotland and being complementary to and exploit existing initiatives such as Interface and the Innovation Scotland Forum.

Also in the original call for proposals we said we would use following **high level principles** as the basis for assessment:

- **Impact for the Scottish economy and society** - ICs must deliver benefits to businesses, universities and other partners to deliver sustainable economic growth and wider impacts such as public policy. Proposals should provide an evidence base that demonstrates market demand – either existing or new;

- plans for **strong leadership and governance** – to ensure that ICs are managed effectively and the priorities of businesses and other end-user stakeholders will guide the Centres’ research, applied research, technology/product development and other programmes;
- **strong commitment from industry** – evidenced by a core membership of, and investment by, key businesses at the outset and robust plans for fast expansion;
- how the IC will address a strategic opportunity to **develop the innovation landscape in Scotland** – including how the proposed Centre will complement existing capabilities;
- how the Centre and its associated project activities will be made **accessible to any relevant business interests**, including SMEs, in any sector in Scotland and internationally where such participation will bring benefits to the IC and Scotland; and
- **transition to a low carbon economy** – ICs (directly or indirectly in their operations) should contribute to Scotland’s transition to a low carbon economy.