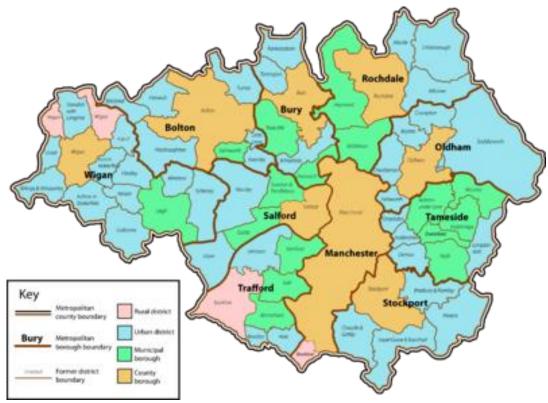# Greater Manchester: Towards a RIS3 strategy

Potsdam, 5-6 November 2013
Jennifer Williams, Clare Devaney

GM's expectations from the Peer Review Workshop

- Learning from peer experience and sharing good practice.

- Positioning GM's RIS3 in an international context.

- Considering radical approaches to growth and innovation.

- Reflecting on proposals with the benefit of an informed, external perspective.

- Advice on next steps in the implementation process

- Identifying opportunities for partnership, cross-working and collaborative development.

- Understanding the role of RIS3 and the role of the public sector.

Questions GM would like peers to discuss

1. How can we apply smart specialisation in GM as a large conurbation with multiple actors and interests across the public and private sectors?

2. How can smart specialisation assist us in applying innovation to our biggest societal challenges?

3. How do others collect and capture key qualitative information from the private sector on impact, growth and collaboration (especially where they do not connect with the public sector)?

4. What ideas do you have for a policy mix to increase connectivity and transformational innovation in the private sector?
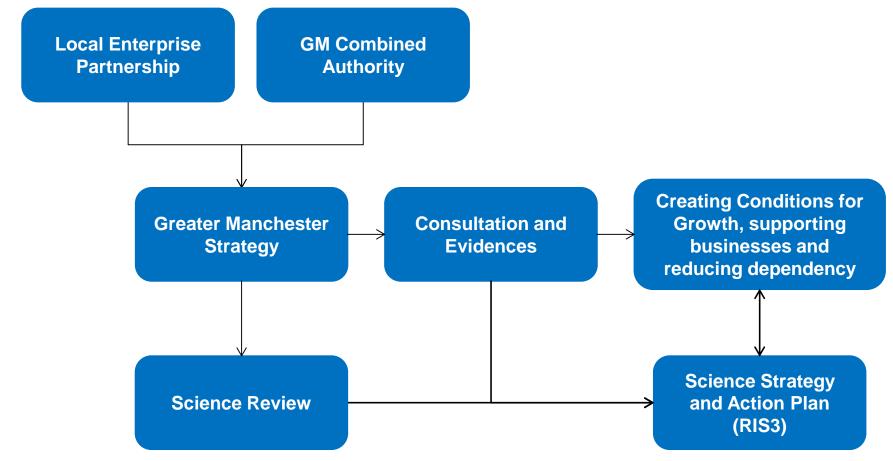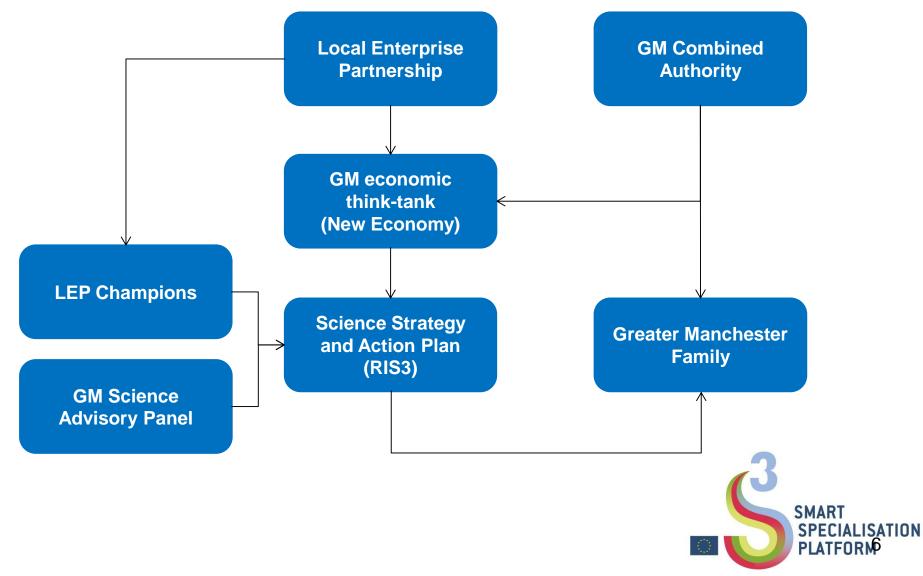
Greater Manchester

- Greater Manchester was the first global industrialised City
    - Strengths in manufacturing and textiles
    - Strengths in innovation and the industry of people

- Globalisation has changed economies and society
    - Strengths in Services, Education and Health

- Key Enabling Technologies will lead to transformational change and creative destruction
    - Strengths in Advanced Manufacturing and Digital

- Smart Specialisation provides an opportunity to create the market conditions for future growth opportunities that will result from Key Enabling Technologies.

Strategic Framework – The Greater Manchester Strategy

Governance of RIS3 and the Science Review

Local Enterprise Partnership

GM Combined Authority

GM economic think-tank (New Economy)

LEP Champions

GM Science Advisory Panel

Science Strategy and Action Plan (RIS3)

Greater Manchester Family

SMART SPECIALISATION PLATFORM

Vision agreed by Local Enterprise Partnership

….by 2020 Greater Manchester will be renowned as a successful commercial science city.

Evidence for Priorities

Commercialisation of Assets

- Advanced Materials
- Graphene
- Connected Health
- E-Health

Enablers/ GVA Drivers

- Creative and Digital
- Financial & Professional Services
- Advanced Manufacturing
- Health and Social Care
- Education

1. **Connectedness**

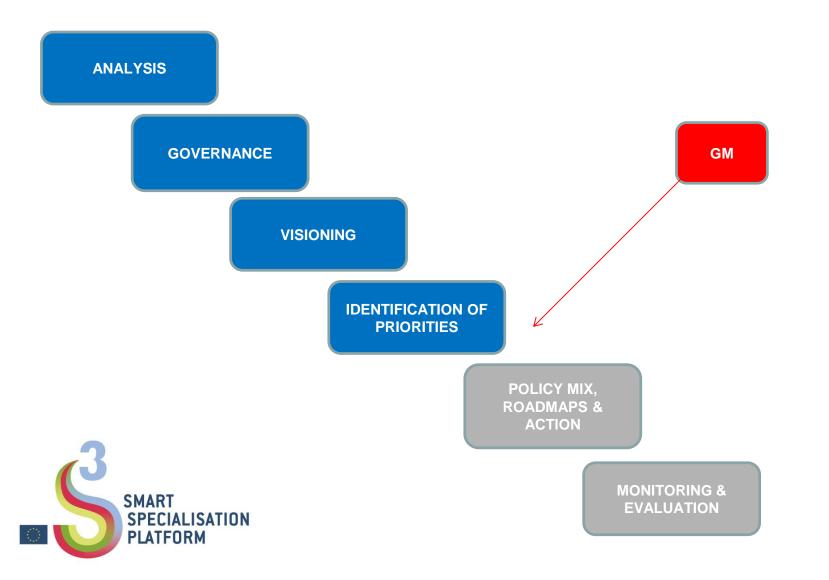2. **Relatedness**

3. **Embeddedness**

SWOT Analysis

- **Strengths:** robust regional infrastructure and connectivity, stable governance, critical mass of businesses, human and knowledge capital

- **Weaknesses:** in health and skills, resulting in high dependency, a centralised public sector, limited (but improving) collaboration with other city-regions

- **Opportunities:** public sector reform, societal innovation, transformative growth through smart specialisation.

- **Threats:** high unemployment, areas of economic deprivation, poor health, dependency, further cuts to public funding in 2015/16
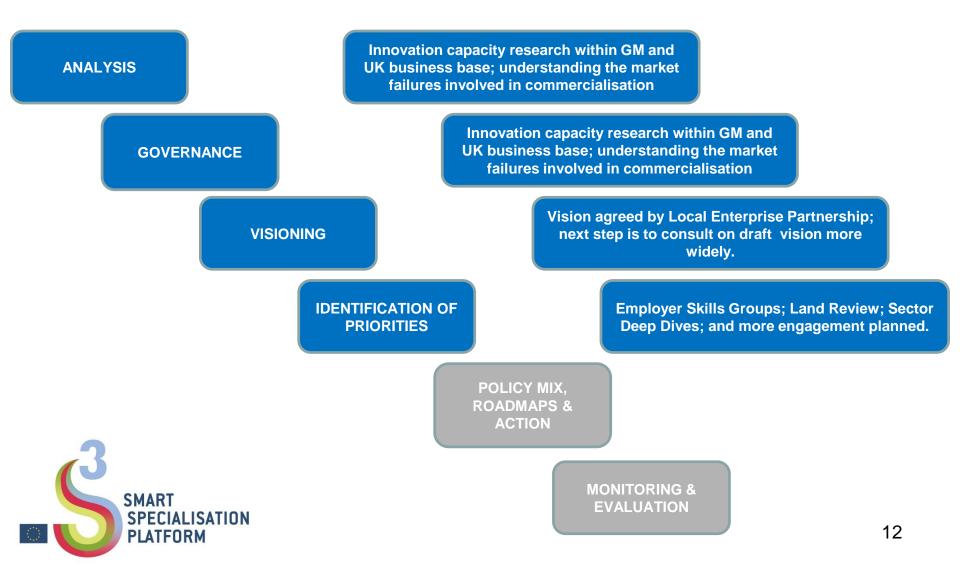
Main objectives of RIS3

- Support GM's sustained economic growth by:

    - Providing the **right conditions and support environment** so that businesses and entrepreneurs operating in areas of GM comparative advantage are able to respond to the growth opportunities available as a result of advances in science and KETs.

    - Levering existing **economic strengths** where they will act as **enablers** for entrepreneurs taking advantage of the growth opportunities available as a result of advances in science and KETs.

    - Investing in the **commercialisation of knowledge strengths** where connectivity with innovation users in GM can lead to transformative growth or societal innovation.

RIS3 Implementation – 6 steps

ANALYSIS

GOVERNANCE

GM

VISIONING

IDENTIFICATION OF
PRIORITIES

POLICY MIX,
ROADMAPS &
ACTION

MONITORING &
EVALUATION

SMART
SPECIALISATION
PLATFORM

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RIS3 Implementation – Entrepreneurial process of discovery

ANALYSIS

Innovation capacity research within GM and UK business base; understanding the market failures involved in commercialisation

GOVERNANCE

Innovation capacity research within GM and UK business base; understanding the market failures involved in commercialisation

VISIONING

Vision agreed by Local Enterprise Partnership; next step is to consult on draft vision more widely.

IDENTIFICATION OF PRIORITIES

Employer Skills Groups; Land Review; Sector Deep Dives; and more engagement planned.

POLICY MIX, ROADMAPS & ACTION

MONITORING & EVALUATION

SMART SPECIALISATION PLATFORM

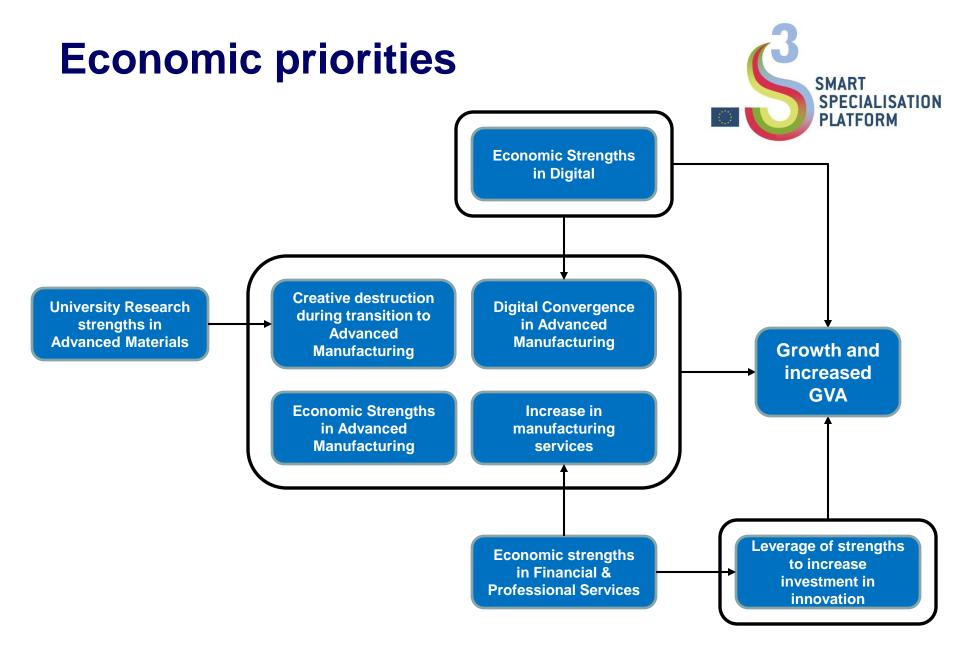# Building the evidence base for RIS3

EMBEDDEDNESS

- Science Review recognised GM historical and industrial strengths, current GVA sectors and emerging drivers
- GM innovation ecosystem – especially skills – seen as fundamental to growth opportunities

CONNECTEDNESS

- Projects to increase private sector ownership of skills system and land needs
- Universities fully engaged with Science Review
- More detailed private sector engagement underway
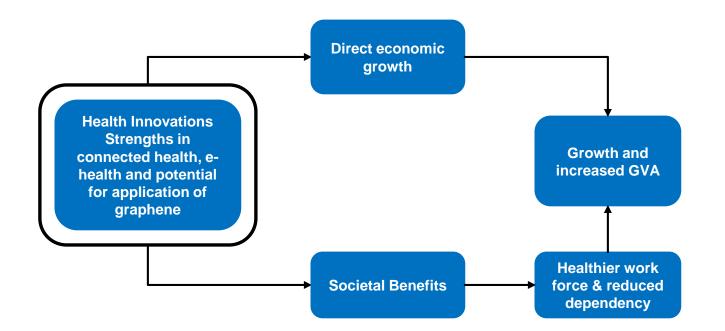
RELATEDNESS

- Digital as KET, Advanced Materials as KET, Financial and Professional Service sector as enabler
- Challenge will be in fostering cross sector connectivity through public sector levers especially since myopia is embedded in UK businesses base

Economic priorities

Societal priorities

- GM faces particular challenges with ill-health and dependency
- Investment in health & social care not only generates growth in a top GVA driver, but can support a healthier workforce, reduced dependency, improved productivity and sustainable economic growth.
- This begins to link our greatest strengths with our biggest challenges: the opportunity exists in mainstreaming social and societal innovation.

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Implementation

1. Transport for Greater Manchester - infrastructure investment
2. Marketing Manchester – promotes the global brand
3. MIDAS – GM's inward investment agency
4. Chamber of Commerce, Business Growth Hub and Universities - business support
5. Skills and Employment Partnership
6. Project Development, New Economy – pilots of new activity
7. Public private partnerships (e.g. Manchester Science Parks)
8. GM Public Sector levers
9. Private sector activity
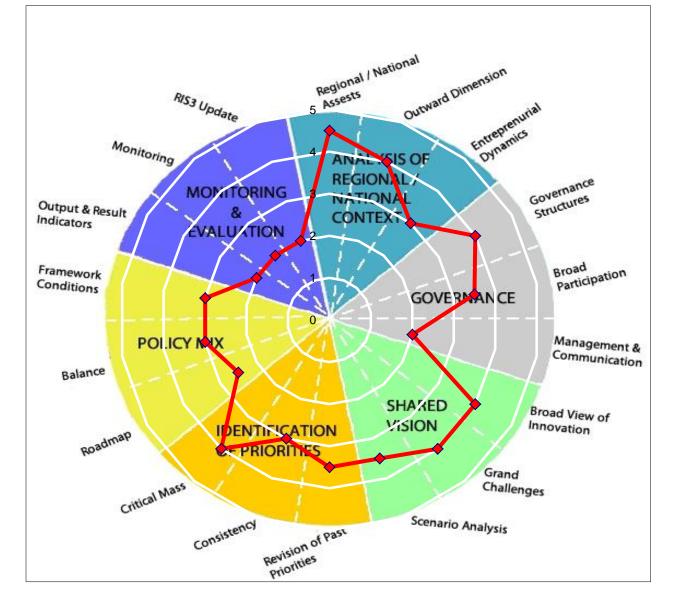
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Implementation – capital projects

GM partners already delivering a number of projects including:

- E-Lab: an e-health 'dry lab' diagnostics facility

- Lead partner in 'the North' response to the TSB's Catapult for Diagnostic Stratified Medicine.

- The (UK) National Graphene Institute - a £61m state-of-the-art facility, scheduled to open in early 2015 - will be based in the city

- Successful RGF4 bid will fund PoP investment in graphene, and wraparound start-up funding support, in partnership with Manchester Science Parks and Business Growth Hub.

Your self-assessment

Source: S3 Platform/EURADA

Next Steps

More focus on entrepreneurial dynamics

- Widespread consultation/stakeholder engagement with entrepreneurs, SMEs and industry on KETs, connectivity and the innovation ecosystem

- Proactively moving policy to delivery – private sector ownership

- Honest and open assessment of the market and public sector capability/levers to intervene

- Pursuit of a more dynamic model of intervention

Next Steps

Looking beyond boundaries

- Embed RIS3 into internationalisation strategy and delivery work

- Manchester Independent Economic Review informed us of the importance of increased connectivity for GM – more ideas needed for policy mix!

- Develop interregional collaboration, such as NW Advanced Manufacturing work

Next Steps

Moving to Implementation

- Embed implementation into existing governance arrangements and strengthen connection between RIS3 and GMS delivery

- Establish an agreed methodology which crosses sectors and delivery mechanisms

- Pilot activity through Project Development Team, New Economy, in partnership with private sector

- Increase understanding of GM's digital strengths and how the business base will innovate and act as enabler in GM

- Further investigations into social innovation

- Continuous process of evaluation and monitoring, based on connections, shared learning and peer review

How can we apply smart specialisation in GM as a large conurbation with multiple actors and interests across the public and private sectors?

- **Why**: GM is strategically very strong and has achieved significant success in key areas. The challenge is now to scale up that activity across the board in a co-ordinated manner.

- **What has been done**: Strategic framework and governance in place with an effective route to engage the private sector. Partnership structures are in place with examples of good practice.

- **What worked**: For example, The Corridor Partnership has developed a concentration of knowledge assets

- **What did not work**: GM has yet to realise our full potential by embedding a co-ordinated approach into the entrepreneurial innovation eco-system.

How can smart specialisation assist us in applying innovation to our biggest societal challenges?

- **Why**: There is potential to accelerate growth by linking the culture of technological innovation with societal challenges, which are deep rooted within society and the public sector response.

- **What has been done**: Clearly identified research strengths (e.g. e-health) and activity to deliver societal innovation through technological advances and effective partnerships.

- **What worked**: Examples of best practice include MIMIT, MAHSC and Manchester Cancer Treatment Centre.

- **What did not work**: Societal innovation as a strategy needs to be mainstreamed across GM's entrenched societal challenges.

How do others collect and capture key qualitative information from the private sector on impact, growth and collaboration (especially where they do not connect with the public sector)?

- **Why**: Evaluation of impact and attribution is complex and difficult given the cross-sector growth opportunities created by KETs and creative destruction within the private sector.

- **What has been done**: Greater Manchester is strong on research, data and intelligence.

- **What worked**: For example, Employer Ownership of Skills embedding employer intelligence into our skills governance.

- **What did not work**: UK public sector and political system traditionally been quite supply side led.

What ideas do you have for a policy mix to increase connectivity and transformational innovation in the private sector?

- **Why**: Transformational innovation stems from cross sector connectivity, where the role of the public sector is more limited. To add, myopia is embedded within UK businesses culture. Where does the role of the public sector stop?

- **What has been done**: Manchester: Knowledge Capital experimented with fostering cross-sector innovation (e.g. Boardroom). National Fiscal Incentives are in place and structures are in place to encourage uptake in GM.

- **What worked**: Creative Credit Vouchers as a response to MIER evidence that GM should increase connectivity.

- **What did not work**: The breadth and scale of the skills challenge means that resource for developing enterprise skills and an entrepreneurialism ambition in young people and graduates is stretched.

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