MINUTES OF THE MEETING OF THE ADVISORY BOARD OF INTERFACE
20TH OCTOBER 2015 AT 2:00PM AT EDINBURGH CENTRE FOR CARBON INNOVATION

Present:
Professor Pete Downes (Chair), Jo Bisset, Alistair Cameron, Stuart Fancey, Siobhán Jordan, Lynn Mann, Professor Donald MacRae, Bill McBride, Professor Andrea Nolan, John Rogers, David Ross, Jim Watson.

In Attendance:
Gary Bannon, Scottish Funding Council; Suzanne Dawson, Interface; Laura Goodfellow, Interface, Cherry Clark; Minutes.

Apologies:
Donna Chisholm

1.1 INTRODUCTION

The Chair opened the meeting and welcomed all members. All Members introduced themselves.

1.2 MINUTES AND ACTION POINTS ARISING FROM PREVIOUS BOARD MEETING (PAPER 1)

It was agreed that the minutes (Paper 1) were a true and accurate reflection of the discussions held on 26th May 2015.

The Board endorsed again the proposed KPIs for the Business Engagement team 2015-2018.

ACTION POINTS

- LG explained the sources of the company leads to Interface for AY2014-15 enquiries were as follows:
  Direct - 12.47%, Events - 8.40%, Referrals - 48.78%, Repeat Business - 30.35%. We continue to work closely with intermediary partners for referrals to achieve a multiplier effect.

- The current conversion rates for enquiries were explained by LG:
  Targets achieved in the last 3 complete years of Interface Activity [August 2011-July 2014] were analysed for conversion rates for Business Engagement Enquiries.

  - 85% of expertise searches undertaken converted to discussions
  - 55% of discussions facilitated converted to Closed Won collaborative project
  - 12% of Closed Won converted to Closed Won (Additional) – the stretch target for staff is 15%.

  At the start of each year (2011/12, 2012/13, 2013/14) there was a pipeline of open enquiries from previous years and as Interface is a continuing programme, this pipeline will continue into future years.

In addition to this, a further 15% of scoped expertise specifications will not progress to search for academic partners'.

The Board requested information on the source of referrals and regional breakdown of company locations be included in future progress reports from the business engagement team.   **ACTION LG**

- SD indicated that work was still progressing to establish the framework to measure success from the engagement with Innovation Centres. She noted the contribution of Board members, in particular to BMCB. The framework matrix will be circulated in advance of the next meeting.   **Action SD**
- BMcB queried the number of referrals to date from Innovation Centres. LG noted there had been around 8-10 to date but through the engagement plans this should grow and develop. Bi-directional referrals were a key outcome from the engagement plans.
- DR queried the drawdown of the new European Funding as outlined in previous minutes.
- SJ noted that the First Minister had announced the overall package of European Funding for Innovation on 30th September 2015. We await confirmation by Scottish Government of the approval of the SFC Strategic Intervention which in turn will allow us to submit the operational plans. Sign-off by the Chief Executive of SFC was necessary for the Strategic Intervention approval. We are working towards a deadline of 2nd November for the operational plans for Innovation Vouchers, Interface Business Engagement and SFC management costs. Both SE and HIE have committed their funding and agreements are being put in place between them and SFC.
- SF indicated he did not foresee any problems in completing the Strategic Intervention sign-off by the deadline and was confident this would be delivered on time.

1.3   ORAL UPDATES

CHAIR

The Chair indicated that most of his activity in the past few months had been taken up by his role as Convener of Universities Scotland. He drew to the attention of Board members the Higher Education Governance bill. Within the draft bill, new clauses are included relating to enhanced ministerial powers which may reclassify Universities as public bodies. This would prevent universities from engaging in long-term projects. It was important that relevant sectors are aware of this change and information is available on this matter if required.

DR, in his role as Convenor of Court at University of Glasgow, agreed with all of the above.

The Chair noted his concern that current proposals for the Knowledge Transfer Grant run the risk of undermining resources within universities that were a key point of interaction both for businesses and Interface. Any proposed changes should not undermine this relationship.

SF noted the desire to protect this resource and enhance it.

AN noted the very good discussion at Universities Scotland Research and Knowledge Exchange Committee with constructive feedback and suggestions. There is a desire to work together to shape outcomes after the consultation.

JR noted the need for stability of funding to build on what was already achieved. Interface had evolved and developed as outlined in the papers and the university sector needs to evolve too.

SF noted that input from businesses for the KTG consultation would be welcome.

The Chair highlighted the parallel activities through Innovation Scotland Forum and the Can Do Forum to simplify the innovation landscape. JW noted that the Innovation Scotland Forum was a sub group of the Can Do Forum being led by Mr. John Swinney ensuring lack of duplication.

The Chair concluded his updates noting that the Growing Value Scotland taskforce co-chaired by Professor Sir Ian Diamond, Principal of University of Aberdeen and Rob Woodward CEO of STV is due to report by Spring 2016.

DIRECTOR

It was a busy period since the last meeting. On behalf of the Interface team, she congratulated the Chair on his recent Knighthood. She also noted thanks to Professor Paul Hagan, Director of Research and Innovation, Scottish Funding Council, who is leaving to take up a new position in Robert Gordon University.

SJ noted the Scottish Programme for Government published on 1st September which highlighted the work of Interface, Innovation Centres and Innovation Scotland Forum. The document noted increased investment for Interface but was unclear what this meant.

SJ attended the Innovation Scotland Forum (ISF) meeting on 7th October. Work continues to take forward the next iteration of ISF action plan and she is supporting the working group led by SE and HIE on demand stimulation by businesses.

SJ noted the presentation to the Innovation Special Interest Group, Scottish Life Sciences Association. She outlined the previous challenging views by Life Science companies regarding the academic sector and intellectual property. The progress around clarity with respect to Intellectual Property and Innovation Vouchers was very well received. The group welcomed the opportunity to further the dialogue.

In the area of demand stimulation two items of note:
- Launch of the Scottish Knowledge Exchange Awards 2016 with award ceremony on 25th February 2016
- Visit Scotland competition for further and higher education to design an interactive digital product to draw visitors to Scotland for Year of Innovation, Architecture and Design 2016.

She noted Business Engagement activities including piloting the enhanced Highlands and Islands service and location mapping of businesses supported which will inform gaps in our current services.

She concluded that interest in Interface from overseas continues including Ireland and Australia.

The Board noted the forthcoming spending review which will provide an opportunity to shape the innovation strategy across the entire business spectrum. JW provided an example of the food and drink innovation response which has developed a single innovation journey for all delivery partners. This provided a good example, even though it is still at execution stage.

The Board concluded that there was a danger that the spending review will drive cost cutting measures and new solutions when the existing structures work well eliminating duplication, levering joined up thinking. Communicating what is working well is essential.

LM highlighted her experiences of collaborative academia to business projects that provided evidence to other intangible outcomes and results.

1.4   OUTPUTS FROM STRATEGIC VISION SESSION (PAPER 2)

The Board recognised the key amount of work done in representing the workshop in a clear format.

The next steps were to produce operational plans with well-defined goals, SMART outcomes and quantifiable impacts.

JB recommended identifying what can be controlled or affected by Interface and noting those things that cannot be controlled. Through this, impact and targets could be clearly identified.

ACTION SJ

The Board concluded that demonstrating how a small amount of resource within Interface could deliver a huge amount of activity and impacts to the economy as a whole should continue to be a key objective so that the impact of Interface is seen as catalytic and not incremental.

AC requested that the AY2015-16 delivery plan be circulated with updated status to the Board.

ACTION SJ

1.5   GOVERNANCE OF INTERFACE (PAPER 3)

SJ introduced Paper 3 and noted the three distinct areas for discussion:

- Hosting arrangements
- Line Management of the Director
- Status of the Interface Board

The Board welcomed the opportunity to discuss the overall governance in light of developing the eight year vision for Interface. They noted:-

- That any decisions on governance should be to support longer term stability for Interface and be acceptable to the main funders Scottish Funding Council.
- The Board can offer significant influence as to what is the ideal solution in line with the longer term vision.
- University of Edinburgh has been consistent in their support for Interface since inception, and that Interface was seen as "owned by all Scottish HEIs".

- The arrangement to be hosted by a University is still appropriate, both in terms of accessing funding streams from public bodies and to ensure continued support from the Scottish HEIs "supply side".
- For Innovation Centres, establishing collaborative arrangements with their host University had been integral to their ongoing developments.
- That being hosted within University of Edinburgh should be mutually beneficial and this relationship would need further developed.
- That it was wholly appropriate that line management responsibilities for the Director were undertaken by the Chair of the Interface Advisory Board.
- If the status of the Board evolved to a full Governing Board then the funders [SE, SFC, HIE] would take up observer roles but these complexities would need to be worked through.

The Board concluded that:

- The outcome should be in the best interest for the longer term future of Interface
- The range of possible hosting solutions including options 1 [Stay within ERI Ltd as a specialist division] and 2 [Move to a specialist management services provision company, which could be a wholly owned subsidiary of ERI Ltd or University of Edinburgh] should be kept open for discussion over the coming months by the Board.
- Further details on University of Edinburgh intentions around hosting need to be established through dialogue, including clarity around the potential governance arrangements for specialist management services provision company. Appropriate senior representation by University of Edinburgh on the Board would be extremely useful in this regard. SFC offered to support the Interface team with the discussions if required.
- There was a strong desire by the Board to strengthen their input and overall governance, whilst not moving to full company status.
- There was unanimous support that line management responsibilities for the Director were undertaken by the Chair of the Interface Advisory Board.

1.6 DEVELOPMENT OF SECTOR RELATIONSHIPS TEAM (PAPER 4)

- SD introduced Paper 4 which provided a proposed framework for the development of Interface's sector delivery over the next three years.
- She welcomed Board members views on the proposal, in particular:
  - Any clarifications required
  - Support for the proposed approach
  - Advice on how to improve the proposal

The Board noted:

- The opportunity to draw on the experiences of supporting the food and drink sector through Interface food and drink's activities and extend this to working with other sectors including tourism and creative industries.
- That there was need to consult with the industry sectors as to the opportunities to get involved in pre-existing groups and the actual business demand.

- This was not seeking to replicate Interface Food and Drink but to extend the key successes, learning and impacts to other sectors, where no clear business to academia activity already exists for supporting multiparty collaboration and inter-disciplinary activities.
- The strategy offered an excellent solution to work with industries where there was a clear need for collaboration but lacked capacity to partner with academia.
- Research was required to determine the optimal sectors to adopt this approach.
- The need to relate activities to clear outcomes and longer term impacts for sectors, but could deliver transformational change for key sectors.
- It was not desirable for Interface to be leading the Innovation Strategy for Sectors but to have the ability to respond to innovation needs identified by key groups e.g. Creative Scotland Consultation.
- They questioned whether the focus should be limited to specific sectors or broadened to encompass all e.g. construction.
- There was a need to focus on Interface's strategic plan for sectors and then to use this to speak to relevant stakeholders about funding to avoid confusion between strategy and funding proposals.
- Clarification was requested in relation to similarities between the facilities platform and the role of APUC. **Action SD**

The Board concluded that:
- Interfaces' Sector Delivery Strategy was an important development to build on mainstreaming Interface food and drink and should be taken forward. This in turn would inform funding proposals.
- Consultation with relevant industry groups and other key contacts was necessary to refine the proposal and ensure it was demand led.
- Further clarity was required from key funders as to optimal timing for proposals.
- They would welcome a revised paper before the end of December 2015. **Action SD**

1.7 ENGAGING WITH ALL – INCLUSION AND HORIZONTAL THEMES (PAPER 5)

SJ introduced Paper 5 which outlined the approach for supporting the three horizontal themes of economic sustainability, equal opportunities and social inclusion.

The Board endorsed the approach noting the frequent reviews of progress against the three themes.

1.8 PAPERS FOR INFORMATION (PAPER 6)

The Board noted the Progress Update paper.

1.9   ANY OTHER BUSINESS

BMcB questioned whether an ambassadorial programme should be created for businesses.

LG noted the programme was already launched and an update will be shared with the Board.

Action LG

No further points were raised and the meeting closed at 4:06pm.

Ref	Action	Holder	Update
1.2	The Board requested information on the source of referrals and regional breakdown of company locations be included in future progress reports from for the business engagement team.	LG	Update at next meeting
1.2	SD indicated that work was still progressing to establish the framework to measure success from the engagement with Innovation Centres. The framework matrix will be circulated in advance of the next meeting.	SD	Agenda item at next Board meeting
1.4	Vision document and operational plans to be prepared and circulated.	SJ	Agenda item at next Board meeting
1.4	Request for the AY2015-16 delivery plan be circulated with updated status to the Board.	SJ	Underway
1.6	Clarification was requested in relation to similarities between the facilities platform and the role APUC.	SD	Completed
1.6	Revised Sector paper by 14th December.	SD	Underway
1.9	LG to update Board on ambassador's programme.	LG	Completed