

INNOVATION AND INVESTMENT HUBS

Background

1. The **Programme for Government** announced the Scottish Government's intention to pilot Innovation and Investment Hubs in key global locations. It stated:

2. "These will be tasked with securing research and innovation partners, investors in Scottish innovation, and build on established exporting and inward investment expertise. The Hubs will provide a focus for Scottish companies or universities needing presence in a country, capital or continent, including links to our network of innovation centres."

Scotland's Economic Strategy confirmed that:

3. "These Hubs will play a key role in promoting the research and innovation capacity and capability of Scottish companies and universities, including our network of Innovation Centres, in attracting investment and funding, and in supporting international collaboration which delivers economic benefits and helps address societal and global challenges. The scale, scope and focus of these Hubs will vary depending on the specific opportunities in a particular country or market."

4. The **Strategic Guidance Letter** sent by the Deputy First Minister to the Chairman of Scottish Enterprise stated that:

5. "The Scottish Government will be leading the development of both the Innovation Forum and International Innovation Hubs and I expect SE to play an active role in this and, along with the Scottish Funding Council, in ensuring the continued development and future success of the innovation centres network and other joint innovation initiatives."

Progress

6. Official level discussions have taken place between Scottish Government, Scottish Enterprise, Highlands & Islands Enterprise, Visit Scotland and Creative Scotland, as well as external stakeholders such as Universities Scotland and the Scottish Life Sciences Advisory Board (LiSAB). Outline proposals were drafted on the basis of these conversations.

7. A Senior Officials' Programme Board has been established to develop an action plan for delivery and agree key milestones for both the Trade and Investment Strategy and the Innovation and Investment Hubs. The board includes:

- John Mason, Director, Economic Development, Scottish Government (co-chair)
- Karen Watt, Director, Culture, Europe and External Affairs, Scottish Government (co-chair)
- Barbara Allison, Scottish Government
- Linda Hanna, Scottish Enterprise
- Paul Lewis, SDI
- Jane Martin, Scottish Enterprise

- Aileen McKechnie, Scottish Government
- Charlotte Wright, HIE

8. The board met on 19 May and agreed that hubs in London, Dublin and Brussels would be established as a priority. Project teams have been established for each of these locations, including representatives from the Scottish Government, SDI, HIE, Creative Scotland and Visit Scotland.

9. Plans for a second phase of Hubs in potential locations such as the US and China will be developed later in the year. Lena Wilson has offered to chair a strategic board of relevant experts to shape these proposals. A specific opportunity for the life sciences sector in Boston has been identified by industry and LiSAB and the Scottish Life Sciences Association have been invited to continue developing a proposition.

Format

10. Hubs will support partnership working by the Scottish Government, its agencies and other organisations including businesses, universities and research institutions. They will provide flexible facilities that might include, for example:

- Office space/ hot desk arrangements
- Meeting rooms
- Conference/ reception facilities
- Presentation/ screening facilities
- Exhibition space

11. However the exact structure of each Hub will depend on the country it is based in, the needs of relevant stakeholders, value for money and other considerations.

12. In each location, the objective of the Hub will be to:

- Add significant value to existing arrangements;
- Act as a 'home' or 'magnet' for the range of Scottish public and private sector organisations whose activity in the location would otherwise lack co-ordination;
- Showcase Scotland as a location for research & innovation;
- Promote the world class skills and expertise within Scotland's universities, research facilities and companies;
- Identify and take forward opportunities for the development of collaborative research and innovation partnerships and for attracting investment to Scottish projects and businesses;
- Act as a platform for attracting international investment in the public and private sector in Scotland;
- Provide a forum for international dialogue and knowledge exchange;
- Foster international trade and investment opportunities.

Locations

13. The establishment of a hub in **London** presents an opportunity to bring together the SDI's current temporary office space with the Scottish Government's hot desk arrangement at Dover House. The project team is scoping options for a space big enough to include other agencies, companies and organisations, either as co-residents or on a hot desk basis.

14. In the first instance the **Dublin** hub may take the form of a small team of Scottish Government and agency officials the British Embassy to support deeper collaboration between Scotland and Ireland in bilateral partnerships and a joint approach to EU funding. Part of their remit would be to scope out the potential for establishing a larger presence with facilities for other relevant Scottish organisations to establish a presence in Dublin.

15. Discussions are taking place with the Scottish Government EU Office, Scotland Europa, the Highlands and Islands European Partnerships about how to enhance the support for innovation and investment provided by the current arrangements in Scotland House in **Brussels**.

Next Steps

16. Project teams for London, Dublin and Brussels will meet in early June to scope options for each locations. These will be presented to the Senior Officers Programme Board on 22 June with a view to making a public announcement over the summer, with the hubs up and running later in the year.

17. The strategic board will be convened later in 2015 at a date yet to be decided to shape proposals for the second phase of hubs in other locations.