



15 JUNE 2020

ESTABLISHING A CCR CHALLENGE PROGRAMME – RE-BUILDING LOCAL WEALTH POST COVID

REPORT OF CCR CITY DEAL DIRECTOR

AGENDA ITEM 6

Reason for this Report

1. To set out an Outline Business Case for a Challenge Fund programme aimed at Re-building local wealth and supporting foundational economy renewal post-COVID. This is consistent with both the Investment and Intervention Framework approved by Cabinet in June 2019 and with the CCR Priorities Post-COVID document also endorsed by Cabinet on 18 May 2020.

Background

2. The Investment and Intervention Framework (IIF) approved by Cabinet on 10 June 2019 established three funding priorities: Innovation, Infrastructure and Challenge. Challenge Funds are recognised as a key way of enabling public service organisations to source solutions to service/policy delivery challenges. There is both existing activity in the UK in orienting innovation to big challenges, such as the Nesta's Challenge Prize Centre, and in the focus of the UK Industrial Strategy; UK and Welsh Government's continued commitment to the Small Business Research Initiative (SBRI), Govtech and Innovate to Save; and, in academia, with UCL establishing a new centre for mission-oriented innovation. In response to COVID-19, both UK and Welsh Governments have used challenge funds to explore Coronavirus-related challenges and swiftly launched challenge funds on loneliness/ isolation, ambulance/ blue light sanitisation and med-tech.
3. The CCR post-COVID Priorities paper was approved by Regional Cabinet on 18 May 2020 and contained an aim to establish a challenge programme through which to focus on local wealth re-building in a post-COVID state. This requires a £10m investment from CCR but leverages a potential further £6m through the WEFO-funded Innovative Future Services (InFuSe) programme (subject to approval) and, has the potential on a challenge by challenge basis, to leverage further external funds from challenge sponsors.
4. The purpose of such a challenge programme is to demonstrate how applying innovation to big challenges can promote novel solutions and radical improvements. It provides an important counter to the more conventional approaches of 'allocating' R&D

funding or grants which often fail to provide the incentives for deeper experimentation, new collaborations, scale and ROI.

5. GVA, jobs and private leverage are the key objectives most frequently associated with City and Growth Deals. Challenge funds still deliver on these – but intentionally don't start out with the answer, or known end point. Instead they start with data and a problem statement. Through exploration and R&D, the answer, solution or project is arrived at.
6. In this way, SBRI is used in cases where the five-case HMT model ('the Green Book') cannot be met at the outset because the solution to a problem does not readily exist. This is consistent with the aims of IIF where it is recognized that infrastructure and innovation-style investments are clearly aligned to 'knowing' the answer or end point (knowns). However, in many instances the end points or answers will not exist or will not be known (unknowns). This requires a different, more explorative and experimental process – consistent with the original rationale for supporting a challenge-led priority.
7. At the end of the SBRI, CCR will have all of the info to make a five-case compliant procurement. The challenge process itself has to be consistent with this clear outcome – ensuring the process as a whole is retrospectively compliant with HMT model. All three funding priorities: innovation, infrastructure and challenge all adhere to the 5 case framework – but the challenge concept is about arriving at a concept that is compliant through a process of R&D because a solution doesn't exist – whereas infrastructure and innovation start with a stronger sense of adherence because a solution is known and can be more straightforwardly fed through the model.

Purpose

8. The focus of the proposed new £16m programme is to re-build local economies for a post-COVID world, through solving societal challenges that have economic impact and potential commercial-scale opportunities. An Outline Business Case for the proposed programme is attached at Appendix 1.
9. Countries around the world are leveraging learning and experiences to fundamentally re-imagine post-COVID economies. From adoption of Universal Basic Income in Spain to Holland's plan for transformation in agriculture to boost local and mostly vegetarian food production – the appetite for change keeps coming.
10. There is a real opportunity for public bodies, and for local government in particular, to build a positive and more distinctive legacy post-COVID. The measures, behaviours and adaptations now in place as we continue to lockdown, should not be temporary crisis responses. Organisations, services and people everywhere have moved quickly beyond comfort zones. We have re-connected with what matters and perhaps more importantly, one another. Changed operating models, new collaborations and recognition of data as a core resilience pillar have all featured – and must continue to do so.

The Programme

11. The programme would bring together both InFuSe and a CCR-led SBRI challenge programme. It should be noted that InFuSe is the programme submitted to WEFO under its P5 Institutional Capacity programme and has been through phases of EOI

and OLT and is now in the final stages of being negotiated and accepted. The programme value is c£6M. This is anticipated to be £4M WEFO and £2M in kind match from CCR partners and LAs and will be confirmed in the final business case.

12. The CCR SBRI programme component of £10M is complementary to this and would work through selecting 2-3 challenges to form the focus of individual challenge funds with the idea being to contribute to new ideas, solutions and projects that contribute to the new momentum and 'new reality' of the post COVID world. This would help cultivate the new future state; translate lessons learnt and develop new opportunities and avoid reversion to 'business as usual'. There is a danger that when healthcare imperatives give way to more long-term economic concerns, we reach for what we know and fail to build upon what we've learned and what can be done differently.
13. The core principle is one of putting innovation skills and capability in alongside the changes and challenges so that learning and value is applied and can continue to spread and scale. The InFuSe programme for WEFO will be hosted by Monmouthshire Council and the SBRI/ Challenge aspect direct by CCR. Whilst the finances for each of the programmes will be operated and managed separately and in line with WEFO and CCR T&Cs – the two elements will come together operationally and will align to present one comprehensive and complementary programme.
14. In summary terms, the proposed programme will involve:
 - An innovation skills and capacity building element via InFuSe. As this nears final stages of approval, this potentially secures secure £4m in funding to be matched by £2m of in kind contributions from consortium of partners which is led by Monmouthshire (for CCR) and Nesta/ Y-Lab and Cardiff University.
 - Investment to support the development of new innovations through a SBRI style programme for which CCR is proposed to commit £10m with further potential for leveraged external funds from challenge owners/ sponsors
 - A unique blended partnership across CCR, Cardiff University, Nesta/ Y-Lab and supported by a WG SBRI secondee and the Centre for SBRI Excellence

Parameters of the Programme

15. There are a number of proposed parameters to the programme which include:
 - adherence to principles of SBRI as a recognised and approved UK and Wales Government method for challenge-driven approaches;
 - compliance with WG's advice note on 'Pre-commercial Procurement – an approach to procuring R&D services' (attached at Appendix 2);
 - address in both direct and indirect ways, the economic objectives of CCRCO;
 - each challenge will have sign off procedures and delegations to allow fluid movement and seamless progression that adheres to the IIF and Green Book principles;
 - programme scope is aligned to local wealth building given the enormity of the COVID crisis and the potential to support local economies in new and enhanced ways;
 - programme to be delivered over two years with an additional year for full review to be completed and findings to be drawn up. Around 20% of the total programme value will be needed to administer, design and deliver the programme, as well as

for investment in marketing and commercialisation. This is consistent with the current SBRI programme and the Nesta Challenge Prize approach of c25%;

- in aligning with InFuSe and delivering via an approved SBRI framework, it will allow proof of concept testing for wider ambitions for a Public Services Testbed.

Potential Challenge Themes

16. A workshop will be held to determine Challenge themes and topics in full. Early indications from COVID economic analysis include those below and are set out comprehensively in the OBC document at Appendix 1:

- *How do we shift from 80/10/10 to a more active/public transport mix and a more differentiated infrastructure strategy for CCR?*
- *How do we help the public sector make better use of and share data more effectively?*
- *How do we improve food security and resilience in the region?*
- *How do we better support healthy ageing?*
- *How do we support foundational economy renewal?*
- *How do we maintain behavioural change beyond lockdown to take bolder steps to more rapid decarbonisation*
- *How do we mitigate the social and psychological impacts of re-entry?*
- *How do we support delivery of vaccination programmes and monitor & share results?*

Key Success Factors

17. The key success factors must include demonstration of:

- how a challenge approach can solve a complex problem and provide a tailored fix;
- how public bodies can work together experimentally;
- a clear understanding of how public bodies have a role in innovation and responding to future complex challenges;
- how we build capacity for innovation in public services at a time when core resources will be operationally focussed;
- a blueprint for communities of practice where in good ideas are encouraged and there is a process of scale;
- returns of Investment – social, economic and potential for commercial;
- support for sustainable and resilient local economic development in a world where ‘same old’ approaches to economic growth will not work;
- new market creation and local supply chain development in line with new priority sectors and specialisms;
- sustaining a positive legacy post-COVID and embedding what we’ve learnt to impact wider challenges and problems.

Programme Finances

18. The programme finances will be split. This is because of the separate Terms & Conditions across WEFO and CCR. The WEFO component is expected – if fully successful – to contribute £4M to be matched by £2M of in-kind contributions. The CCR challenge element is £10M with the potential for further leveraged funds on a challenge-by-challenge basis. Whilst operationally these will be brought together to

deliver a comprehensive programme –in accounting terms, they must be kept strictly separate. The below table is an illustration only of the breakdown of the CCR component, based on typical SBRI structures - but for the full business case and with WEFO’s final determination, will be amended to reflect alignment across both elements

SBRI Challenge Programme £10M CCR

ACTIVITY	% programme split
Programme design, delivery, project management, marketing support and commercialisation expertise (including WG SBRI secondee)	20%
R&D and feasibility testing and prototyping	40%
Challenge Prize or Funds awards	40%

Wider Considerations

19. Challenge funds are a departure from more traditional ways of doing business. However there are many examples across other City Regions, Combined Authorities and LEPs use challenge funds or prizes to drive a more experimental approach to economic growth – particularly where no ready answers, solutions or products are available. This is important in recognising the complex of the challenges faced today. Adopting this approach in a CCRCD context is important, albeit ambitious because it is consistent with putting to use, the freedoms and flexibilities of devolved City Deals
20. Wales and UK Government has suggested that whilst this is a departure from standard approaches, it is up to CCR to be comfortable with the approach being compliant with requirements. The proposed approach will follow the Green Book approach – albeit in a different sequence. Again using the SBRI approach and model provides a UK Government and WG-approved and adopted mechanism used regularly and through which £0.5bn of public investment has been channelled by UK Government alone to date. City Deal is about devolved freedoms and flexibilities and this is one such good illustration. SBRI has also been subject to independent review and is procurement compliant (Appendix 2).
21. Legal advice taken on the matter accords with this view and emphasises that CCR must satisfy itself – as with on any project – the approach is consistent with aims.
22. Significant progress has been made on programme delivery since the launch of the IIF in June 2019. There are 27 live projects in the system. The IIF tracker shows that CCR is on track to deliver its objectives - including financial returns on investment. There is therefore headroom to be experimental and try new ways of securing better and more innovative solutions to complex problems. The original challenge fund ‘allocation’ was £90m in the IIF. This initial £10m, which leverages £6m at the outset with potential for further leveraged funds – is a small-scale test of concept.
23. The proposal was endorsed at the Investment Panel meeting on 31 March 2020.
24. Monmouthshire is the designated the lead body for InFuSe (on behalf of CCR) and thus, deploying and administering potential WEFO funds. This is consistent with previous reporting and the Innovation Prospectus. The SBRI aspect will be administered direct by CCR with the following process likely to involve the following – subject to the workshop sessions and development of the final Full Business Case:

- CCR derives 2-3 challenge themes and topics;
- a call for Expressions of Interest (EOI) is made for challenge sponsorship;
- EOIs are assessed by a Programme Steering Panel supplemented by Investment Panel members;
- an open market call for Challenge 'responders' is made – or those companies, firms, services or individuals who believe they can solve the problem;
- The responses are assessed by the Panel in conjunction with Challenge Sponsors;
- interviews are held;
- group makes recommendations to Regional Cabinet or delegated bodies in terms of signing off initial low levels of spend on R&D rounds of development;
- once this round is complete, clear contenders emerge and through an ongoing process of evaluation, a product or prototype of a product is selected;
- recommendations are made to Regional Cabinet to seek sign off of the challenge prize that allows the company or individual to productise and commercialise – with the Challenge Sponsor acting as the end customer;
- this whole process mirrors the stages of the Green Book – in a reverse sequence – but demonstrates in the final funding award, a five-case compliant solution.

25. In respect of State Aid, SBRI is an established programme operating at UK Government level and across numerous departments for many years with a total investment to date of £0.5bn. It provides for the public procurement of R&D and essentially 'seed funding' the gap that exists for early stage companies with great ideas and potential products and services. As the public bodies are essentially buying R&D from firms at a fair market price, not for their exclusive use (the expectation is commercialisation) and where the competition is advertised in an open market – there is no advantage and consequently no state aid.

26. Nesta/Cardiff University are the consortium delivery partners for InFuSe. As a partnership they have unique experience of deploying challenge prizes; social sciences research and development; operating the WG Innovate to Save scheme as well as being partners to the Public Services Testbed submission to the IIF. For continuity and consistency sakes, and with the additional support of the Wales Centre for SBRI Excellence, it makes sense to build one core delivery competency for the whole programme. Initial legal advice suggests that this can be done via a 'contracting authorities' award to Cardiff University who will then retain the services of Nesta/ Y-Lab – this will be confirmed in the final business case.

Reasons for Recommendations

27. To ensure the CCRCDC programme delivers on its ambitions for innovation, infrastructure and challenge-led growth, it is important frameworks are in place to support operationalising all priority areas. In addition, given the economic fallout arising from COVID-19, re-building local wealth at a foundational-level has emerged as a clear priority for CCR.

Financial Implications

28. The costs of developing the final business case will be met from within existing CCR resources. The outline business case indicates a resource requirement totalling £10m over three years, which includes the cost of project management, training, monitoring

and delivery. It is understood that a significant element of this proposed resource will be revenue in nature and will need be funded accordingly. On this basis, this proposal represents a substantial commitment against the level of CCR revenue funding that is available to support proposals over the remaining life of the City Deal. The final business case will provide a further update on the potential implications in this regard.

29. Monmouthshire Council will act as the lead body within CCR for deployment and administration of WEFO funds for InFuSe and any associated match funding for Innovation Capability and Skills building. This includes responsibility for any terms and conditions of any grant.
30. The deployment of funds and administration costs of the SBRI Challenge Fund aspect will be undertaken by the CCR and will be supplemented by additional funds from challenge sponsors where applicable. Given the nature of challenge funds and investment in research and development, costs will need to be met from the HMT / WG revenue allocation of the Wider Investment Fund after allowing for other commitments.
31. The Joint Working Agreement provides that CCR will adopt a best practice business case approach in line with HMT's Five Case Green Book Guidelines. These are also terms and conditions in WG / HMT funding for CCR. The diverse range of project types, values and sectors encompassed within the CCR may necessitate the Five Case Model being amended on a proportionate basis to reflect the scale, nature and scope of the relevant application. The report sets out for Regional Cabinet a demonstrable approach to meeting these requirements in respect to the Challenge fund. Discussion has been had with funders and the approach set out in this report as part of the development of the Final Business case should be communicated to them, including as part of the forthcoming Gateway Review to ensure no risk to funding is identified by funders at a later date.

Legal Implications

32. Regional Cabinet need to be satisfied that all proposed activities are in line with state aid rules, the WG and HMT funding conditions that attach to the Cardiff Capital Region Wider Investment Fund, and the Wider Investment Fund Assurance Framework, at Appendix 8 of the JWA.

Well-being of Future Generations

33. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:
 - a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
 - b) public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. age; b. gender reassignment; c. sex; d. race – including ethnic or national origin, colour or nationality; e. disability; f. pregnancy and maternity; g. marriage and civil partnership; h. sexual orientation; i. religion or belief – including lack of belief, and;

- c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRC) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

34. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 3.

RECOMMENDATIONS

35. It is recommended that the Cardiff Capital Region Regional Cabinet:
- a) notes and approves the Outline Business Case at Appendix 1 for a Challenge Programme aimed at re-building local wealth post-COVID;
 - b) notes and approves the arrangements that will now need to be in place to assist development of a Full Business Case – such as WG-advisory support; necessary procurement arrangements for delivery support; and, holding a workshop to establish key priority themes and topics;
 - c) notes that it will receive the Full Business Case in the early autumn of 2020, including implications for the availability of City Deal revenue resources going forward;
 - d) notes and approves the delivery arrangements for the InFuSe aspect of the programme in respect of Monmouthshire acting as lead body on behalf of CCR

and noting the Full Business Case will be conditional on achieving funding status from WEFO to achieve the external leveraged funds; and,

- e) notes the advice that it must be content that operating a Challenge Fund is within its remit and jurisdiction and endorse the advice set out in this report regarding the different but complementary way in which the process adheres to the Green Book spirit, requirements and principles.

Kellie Beirne
Director, Cardiff Capital Region City Deal
15 June 2020

Appendices

- Appendix 1 Outline Business Case for Challenge Fund Programme – Re-building Local Wealth Post-COVID
- Appendix 2 Welsh Government Procurement Advisory Note – SBRI
- Appendix 3 Wellbeing of Future Generations Assessment

OBC for a Challenge Programme: Re-building Local Wealth post-Covid

Background

The Investment and Intervention Framework approved by Regional Cabinet in May 2019, provides a means of assessing submissions into the Wider Investment Fund. It established 3 funding priorities to frame expressions of interest into CCR. These are: innovation, infrastructure and challenge. Challenge Funds are a relatively new concept to City Deal but are a key way of enabling public services to source solutions to service/policy challenges.

Further, the CCR priorities for Covid-19 and beyond paper was approved by Cabinet in May 2020. This set out, as part of the 'Response and Resilience' set of measures, the opportunity to develop a Challenge Programme aimed at re-building local wealth in a post-Covid world.

There is body of activity in the UK in orienting innovation to big challenges or missions. Nesta's Challenge Prize Centre has long been active in this space. Challenges are the focus of UK Government's Industrial Strategy Challenge Fund and programmes such as the Global Research Challenge Fund. UK and Welsh Governments continue to commit to SBRI< Govtech and Innovate to Save and in academia; UCL has established a whole new Centre for mission-oriented innovation.

In response to COVID-19, both UK and Welsh Governments have used challenge funds to explore solutions to complex problems surrounding Coronavirus and in quick time launched challenge funds on loneliness and isolation, ambulance/ blue light sanitisation and med-tech.

The purpose of such a challenge programme is to demonstrate how applying innovation to societal challenges can promote novel solutions and radical improvements. It provides an important counter to the more conventional approaches of 'allocating' R&D funding or grants which often fail to provide the appropriate incentives for deeper experimentation, new collaborations, scale and ROI.

GVA, jobs and private leverage are the key objectives most frequently associated with City and Growth Deals. Challenge funds still deliver on these – but intentionally don't start out with the answer, the amount or a specific project. Instead they start with data and a problem statement. Through exploration, the answer, solution or project is arrived at. The process drives innovation and unlocks added value for both the problem owner and problem solver(s). It is unlocking the added value, development of the innovative end outcome and the creative processes there in, that contribute to City Deal objectives.

The focus of the proposed programme is to re-build local economies for a post-Covid world, through solving societal challenges that have economic impact and potential commercial-scale opportunities.

Purpose of a challenge fund

The UK Industrial Strategy pinpoints the four great industrial/societal challenges of our time: future of mobility; ageing society; AI/Data and energy. Arguably, the effects of the global pandemic Covid-19 accelerate the need to solve problems. There is a real opportunity for public bodies, and for LG in particular, to build a positive and more distinctive legacy post-Covid. The measures, behaviours and adaptations now in place as we continue to lockdown, should not be temporary crisis responses. Organisations, services and people everywhere have moved quickly beyond comfort zones. We have re-connected with what matters and

perhaps more importantly, one another. Changed operating models, new collaborations and recognition of data as a core resilience pillar have all featured – and must continue to do so.

Challenge Funds can take various shapes and forms. In Wales to date, a number of challenge funds have operated, mainly through DCMS (Govtech), UKRI (Industrial Strategy Challenge Fund) and in particular, Innovate UK which has invested over £0.5bn in a specific type of challenge fund, called the Small Business Research Initiative (SBRI).

There will be two main aspects to the Challenge Programme:

1. Innovation Capability and Skills building through the £4m WEFO InFuSe project (to be matched by £2m of additional contributions) which focuses on growing institutional capacity in public services for innovation. This is being led by CCR, Nesta/Y-Lab and Cardiff University. This will focus on re-building local economies through the lenses of data, procurement and adaptation. The CCR Consortium (via proposed 'host' body Monmouthshire Council) has submitted both an EOI and OLT to WEFO and the bid is in the final stages of negotiation and is subject to final approvals.

2. SBRI-focused challenges of £10m. SBRI is an adopted/ recognized public procurement compliant government programme and therefore, is the best tool for CCR deployment.

This combination will ensure that putting innovation capability and skills alongside real-world, real-time challenges will deliver a more applied focus.

SBRI enables public sector to tap into new ideas and technologies and speeds up their adoption. It helps public bodies connect with innovative businesses to solve tough challenges. The infrastructure to support SBRI is available in the WG SBRI Centre for Excellence and in the key expertise of Cardiff University, Nesta/ Y-Lab and the Alacrity Foundation. Typically SBRI is structured in two phases – first, R&D helps prove the scientific, technical and commercial feasibility of the proposed project. Second, production of a well-defined prototype with the intention of demonstrating.

SBRI challenges are typically run over a two-year period, however in response to COVID-19, they are being run to a more immediate timeframe, capitalising on the data and strong innovation appetites that exist. They test out and aim to achieve:

- How a challenge-led approach can solve a complex problem and provide a specific fix
- How multiple public bodies work together in an experimental way
- A clearer understanding of the potential role public bodies have in innovation
- How we build capacity for innovation and R&D in public services
- A blueprint for establishing communities of practice
- Improve outcomes for citizens
- Support sustainable local economic development
- The potential to solve societal challenges

Key benefits of such an approach include:

- Opportunity to explore creative solutions to local economic challenges
- Investment to find and develop innovative solutions
- Improved local service delivery that benefits from tailored solutions

- New market creation and ability to ‘break through’ public procurement frameworks
- Potential for commercial solutions which can be scaled and sold elsewhere
- Local supply chain growth and development

The development of the challenge programme is timely for a number of reasons:

- The potential to build local resilience in the CCR economy, which given the continuing effects of COVID-19 is increasingly vulnerable, is clear to see. Focussing on re-building local wealth will be key to long-term economic recovery. This is timely because it coincides with policy and delivery programmes on the Foundational Economy within Welsh Government. Post COVID-19, foundational renewal be critical to re-building community infrastructure support and more creative locally grown services.
- The opportunity to connect the operation of such a fund into testing the concept of a Public Services Testbed – a submission made by Cardiff University, Alacrity, Nesta and Y-Lab into the CCR’s Investment Framework.
- This is important because along with CCR, this is the already committed partnership recipient anticipated to secure £4m of WEFO funds + £2m of matched funding for the Institutional Capacity Building Programme for InFuSe (Innovative Future Services). This will build the skills and capabilities for innovation and challenge-driven approaches in Public Services. The composition of the final partnership and inclusion of Nesta will be confirmed in the final business case.
- WG is currently developing and delivering a number of challenge funds related to COVID-19. These SBRI’s are mainly around finding solutions to loneliness and isolation emanating from lockdown; ambulance sanitisation; diversification of the manufacturing base to develop ventilators and other essential diagnostics. There is scope to build upon this and collaborate with WG & Centre for SBRI Excellence.

Strategic case

Proposal Description

The programme provides innovative solutions to challenges faced by the public sector, leading to better services, improved efficiency and effectiveness and productivity. It supports economic growth through new market creation because it enables the development of innovative products and services through innovative public procurement.

The InFuSe aspects of the programme will further support development of key skills and competencies around public service innovation, critical at a time when the challenges posed through Covid and beyond require new mind-sets and skillsets to respond.

The SBRI challenge aspect of the programme will drive a more competitive approach to unlocking the value of the public balance sheet and works in two structured phases. The first is focussed on proposals that are R&D intensive and will significantly contribute to proving the scientific, technical and commercial feasibility of the proposed project. The results of Phase 1 determine what should go to Phase 2. Phase 2 is then about building upon the R&D to a well-defined prototype and potential service or product development..

Costs will be borne as part of this process – in respect of training and development as well as in R&D, testing and experimentation ahead of product development. R&D investment is not an abortive cost. It is an investment in finding tailored solutions and is akin to feasibility costs associated with infrastructure investments or, due diligence costs. They are necessary because they guide development of the right product and in the majority of the cases, even if the R&D isn’t used in the final product, this still has a learning value which can be exploited.

Themes and priorities

The themes proposed for the challenge programme are set out as below. It will however only be possible to deliver, in a focussed and targeted way around 2-3 of these and so further work will be done as this proposal develops, on which are most important:

- **How do we shift from 80/10/10 to a more active/public transport mix and a more differentiated infrastructure strategy for CCR?**
 - Opportunities for better jobs closer to home through balance of office/ local and home working
 - Digital tools and learning needed to optimise remote working productivity
 - Changing behaviours to see work as a thing we do rather than a place we go
 - Maintaining improvements in air quality and taking bolder steps towards transport decarbonisation
 - Smart IoT systems to track and record transit times, peak hours and congestion
 - Leveraging data science and analysis capabilities to inform new 'working day'
- **How do we help the public sector make better use of and share its data more effectively?**
 - Data collaboration v data security and defensiveness
 - Open data to frame more innovative explorative approaches
 - End uses and applications in relation to areas such as public procurement spend, highlighting gaps for local SMEs and supplier effects
 - Overcoming difficulties in digital democracy and remote decision-making
 - Optimising levels of community support and inaction and maintaining the spirit of voluntary action galvanised through Covid for future challenge response
 - Leveraging capacity of private sector to enable public sector to better use data
- **How do we improve food security and resilience in the region?**
 - Opportunities for agri-tech and CEA-approved digital farming with local impact
 - Secure data systems for supporting local growers
 - Land, food decarbonisation relationships. Land for agriculture is becoming restricted. Leveraging tech assets, state levers and civic innovators to redesign food systems
 - Pioneer collaboration across health providers, public health, social care, schools, energy and food producers as well as with supermarkets
 - Rethinking food bank provision linked to the above as well as behaviour change around food waste and recycling
- **How do we better support healthy ageing?**
 - Rethinking care as an alternate infrastructure and overcome some of the structural inequalities to see public care as necessary for societies and economies to flourish
 - Role of communities in local care eco-systems and maintaining feel of 'neighbourliness' and community spirit fostered in lockdown
 - Tackling loneliness/isolation – social connectivity & remaining in own homes
 - Development of new products and services to sustain physical activity and support wellbeing
- **How do we support foundational economy renewal?**
 - Impact of the knowledge economy and technology on sustainable futures for retail, care, food, tourism and construction so that disruptive forces of AI/ machine learning see more 'adapt' than 'displace'

- Skills and abilities needed for increased productivity in the everyday economy
- Maximising in-region supply chains linked to economic anchor companies and linking the contributions of high growth businesses to everyday firms
- Creation of maker spaces where equipment, tools and resources can be hired out to support new ideas and community action

Other considerations in addition to the above, could include:

- How can do we maintain behavioural and social change beyond 'lockdown' to take bolder steps to more rapid decarbonisation?
- How do we mitigate the social and psychological impacts of 're-entry'? Returning to work, school, care settings and wellbeing and mental health care
- How do we target & deliver vaccination programmes & monitor and share results?

Proposal Objectives and Case for Change

The primary objective of the proposed Challenge Programme is to solve problems that standard procurement approaches cannot – and this is exacerbated by the needs emerging from the Covid pandemic. The 'same old' approaches to procuring services, contracts and products, won't work in times of turbulence and rapid-fire change. The current approach to public procurement tends to be cost-driven and, in a climate in which austerity has diluted capacity in such functions, the focus on optimisation of value has eroded. Alongside this, engaging in skills development and capacity-building, as well as learning to leverage the value of data and rapid prototyping is a critical job of work. It is however not a straightforward one. This requires patience and a shift away from transactional 'one size fits all' approaches.

Innovate UK has a successful programme of £0.5bn SBRI delivery under its belt. Performance shows that it can address challenges, increase effectiveness and stimulate additional economic benefits through both procurement of innovation and innovative procurement. This has helped drive internal efficiencies and unlock local value for public bodies whilst improving local market creation and stimulation. SMEs are the mainstay of foundational economies and can provide solutions to policy and operational challenges. Sometimes however, public bodies find it hard to frame challenges in ways which enable a different and more creative response. Equally, smaller companies find it hard to connect with big organisations and access procurement opportunities.

The programme helps overcome this by 1) building the skills and capacity for innovation in public bodies and 2) connecting public bodies and SMEs to stimulate development of solutions, new products and services – whilst providing structured support around risk-taking.

The proposal aims to:

- Explore new and creative solutions to local economic challenges
- Improve service delivery and quality through bespoke, tailored solutions
- Improve sense of place and local economic vitality
- Invest up to 100% to fund and develop innovative solutions
- Support to build capacity and capability
- Generate first customer commitments should products be viable
- Develop commercial solutions which can be sold and scaled elsewhere
- Invest in local supply chains and networks

Progress towards these objectives will be monitored through an Evaluation Plan.

Rationale for Public Intervention

Innovation is key to economic growth. By doing more to create the conditions for innovation and productivity within their organisations, public bodies can lever their resources and assets in ways which make optimal impact on local businesses and firms.

Innovation is needed more than ever in the public services sector, especially in a climate where services are coming under increasing pressure to financially sustain at a time when demand, global, demographic and technological challenges are swelling. InFuSe is thus, a programme for the public sector, shaped by the public sector.

Mitigating the long-term impact of global crises such as COVID-19 will require more public sector engagement with their local economies to generate wealth and wellbeing. Many SMEs find it difficult, if nigh on impossible to be able to access public sector contracts. With awards mainly going to larger companies who can demonstrate requirements in respect of insurance, liability cover, turnover and ability to meet core regulations – the value-add of small local businesses can get lost. There is failure in the way the state and market interacts.

Strategic Fit

InFuSe is a prospective WEFO funded programme that aims to build capacity for innovation in public service in order to heighten capacity to respond to challenges. A well developed final bid has been submitted to WEFO and feedback has been good with a positive outcome expected shortly. SBRI is a national UK Government initiative that operates at a UK-wide level. In Wales, success rates have been particularly high with it being at the top of the leader board for adoption and application.

Unlocking the value of public procurement is high up on the priority list at the moment with re-shaping of the policy agenda. From a growing body of work on the Foundational Economy, to work led by both the WAO and Office for the Future Generations to a resurgence in activity around the Can Do Toolkit and the public value creation mission being pioneered in Cardiff University's Business School – the policy lens is being widened and enriched.

Options Appraisal

The options appraisal is essentially informed by the case already made under the IIF for the establishment of a challenge fund. The first appraisal concerns the establishment of the Fund:

- Do nothing – not an option – particularly in light of the projected 35% drop in GDP in Q2 2020 through the Covid crisis with ONS stats showing it is the very foundational sectors of food, hospitality, public transport, tourism and retail that are being worse affected by the ongoing crisis. Innovation cannot be sparked without action and the development of new approaches. In addition with potential for leveraged investment through WEFO and potentially others – it is time to act
- Address issues through conventional procurement – the purpose of this programme is not to just procure innovative solutions but develop innovative procurement
- Run a challenge through an alternative mechanism – this has been considered but given City Deal Terms and Conditions, SBRI is an adopted government policy tool and in additions, synchs with broader aims for a Public Services Testbed.

The preferred option is to establish a CCR Challenge Programme to take advantage of InFuSe and apply innovation skills to a challenge programme that can make a difference.

Economic Case

Economic impact

As with all innovation programmes, it is impossible to predict the value that will result. This uncertainty is inherent because it is not known which projects will get funded and go on to be successful and what the benefits and spill over effects might be.

Notwithstanding some inevitable uncertainty, there is good general evidence that there are market failures leading to under-investment in R&D and that public funding leads, on average right across the economy, to significant social benefits. There is evidence of a social return in the case of SBRI where an evaluation found early evidence of net social benefits of running the programme.

In January 2018 a review undertaken by the Manchester Institute of Innovation with the Enterprise Research Centre, demonstrated that for the £0.5bn invested in SBRI R&D contracts since its inception, the following had been achieved:

- For every £1 awarded - £2.4 was returned to the UK economy
- This means that in conservative terms over £1bn has been returned to the UK economy
- Over 66% of contracts awarded were to SMEs
- Examples and illustrations include: new chemical sensors for early disease diagnostics; technology solutions to loneliness; innovations in nursing and patient care time being increased; rate collection rates improving and new materials for advanced protection
- Creation of new international leadership opportunities for companies in global markets
- Based on past successful SBRI programmes – one review of SBRI commissioned by NHS England in 2017 concluded that 37 of its projects were already showing deployment in the NHS, either through clinical trials or sales and these were generating already, £19m in annual savings. The review also captured benefits to the wider public sector with recurring savings from the nine most commercially advanced SBRI currently running at up to £30m.
- Based on the evidence supporting the Govtech programme which also runs as a SBRI, whilst a much more specific market, a recent Public.IO report estimated the UK Govtech market to be £20bn by 2025. The opportunity that exists is for public bodies to be more proactive and innovative in how this potential is levered locally and to derive optimum public value
- The recent Ambulance/ blue light rapid sanitisation project run by WG and DAPA in response to Covid, saw over 160 market responses

Due to the way in which SBRI works, the company can negotiate to retain all or part of the IP in order to scale commercial solutions and growth. In return the public bodies get solutions that are suited to their exact requirements. The process is an economically competitive one and operates under Pre-Commercial Procurement rules. Public bodies buy R&D from competing suppliers in parallel to compare solution approaches and identify best value for money. R&D is split into phases for solution design, prototyping and original development alongside validation and testing of a limited number of products. At each stage of the process the number of competing R&D providers is reduced.

SBRI typically covers the period up to development of the limited volume of first products developed. However SBRI does not cover full-scale commercialisation. For CCR, this would be an opportunity for the Innovation or Infrastructure Investment Funds to be drawn upon to support further commercial benefits and increased GVA and jobs outcomes.

Costs and benefits

The main costs of the programme are that of public and private investment in R&D projects that would not otherwise occur. Whilst the fund will typically cover up to 100% of private sector R&D costs (subject to negotiation) there will be indirect contributions from private firms (future projects the firms make after the support had ended and encouraging other firms to invest in

R&D such as through the supply chain). The further benefits of the project relate to cost reductions for public bodies and agencies and improvements in public services or local economies that result; direct benefits to participating firms and their employees through improved profits and wages and spill over benefits to other firms and employees.

Estimates undertaken by economic intelligence experts at Cardiff University predicts:

Challenge Fund/ SBRI	
Main beneficiaries	SMEs in CCR
Output metrics (in-process progress)	No. of SMEs actively engaged in Challenge Prize process
Outcome metrics	No. jobs safeguarded in Challenge Prize participants No. new jobs created in participating SMEs No. of additional output in Challenge Prize participating firms No. of additional GVA in Challenge Prize participating firms Value of new IP connected to Challenge Prize project
Estimation of outcome metrics	SME level monitoring and annual survey undertaken by socio-economic evaluation function
Outcome monetisation rationale	Value of sales connected to new business GVA connected to firm output and safeguarded/new employment creation
Non-monetisable benefits	Knowledge spillovers between SMEs engaged in the programme New knowledge dissemination by HE sector

Value for money

All individual applications from challenge responders will be assessed by CCR and the sponsoring public body for Value for Money. As part of the submission to the fund aspect, applicants or responders must provide:

- Summary of organisational finances
- Proposed project finances in order that they can be assessed for VFM in order that proposed cost for effort and deliverables reflects a fair market price
- All costs quoted must reflect actual costs at a 'fair market value' and not include profit
- This statement must include directly incurred costs, overhead costs and VAT
- Full Economic Costs are not relevant in this context – SBRI is a competitive procurement mechanism. Applications are assessed competitively

In respect of entry to InFuSe this will be done in accordance with the agreed programme delivery plan overseen and monitored by WEFO.

Financial Case

The budget

The budget for the Fund is set at £16m initially. This is £10m investment from CCR for 2/3 SBRI challenges over a two year period with an additional year needed for full academic/ peer review and publication of findings. Should challenges be identified with partner public bodies that wish to act as an end customer or challenge sponsor – there is potential for match funding or further leveraged funds. The remaining £4m is expected to come from WEFO's Institutional Capacity Programme for skills and capability growth for the InFuSe programme with the additional £2m of matched funds.

It must be noted that InFuSe will be administered by Monmouthshire Council. The SBRI programme via CCR. Each will have separate T&Cs which must be observed. However, there are alignments and each element is complementary so although separate sources, they will be presented as one comprehensive programme.

The table below sets out proposed running costs. This is for the SBRI element only and as the two elements align, budgets – although remaining separate – will be updated via the Full Business Case to draw out efficiency and effectiveness benefits.

ACTIVITY	% programme split
Programme design, delivery, project management, marketing support and commercialisation expertise (including WG SBRI secondee)	20%
R&D and feasibility testing and prototyping	40%
Challenge Prize or Funds awards	40%

A full financial case has been prepared for InFuSe and will also be prepared for each proposed SBRI challenge, which shall include:

- Cost of round 1 competitions (R&D, solution design)
- SBRI Accelerator Panel assessment of applications
- Project lead and co-ordination (including commercial support)
- Market making support
- Monitoring and evaluation

Funding at each stage will be considered by a Programme Steering Group and via CCR Investment Panel, with final funding recommendations being made to Regional Cabinet.

Distribution of Funds

Monmouthshire Council will act as the lead body within CCR for deployment and administration of WEFO funds for InFuSe. The challenge fund will be held by CCR Expressions of interest (EOIs) from public bodies will be assessed by the Programme Steering Group supplemented by members of the CCR Investment Panel. The first part of the assessment process will score the challenges submitted via the EOI against:

- Impact upon public policy and public service delivery
- Ability to help solve challenges
- Likelihood of implementation/ commissioning
- Market and commercial potential
- Potential levels of innovation
- Alignment with CCR objectives and aims
- Resources and willingness to support and manage the challenge

There is an accepted and approved EOI process. Scores are reviewed by the panel who agree the shortlist of challenges to progress to the second stage of assessment. This second stage involves an interview. The panel then makes recommendations to Regional Cabinet or delegated bodies to consider and sign off funds. The final recipients of funds are the successful businesses awarded investment through the process.

There are no specific VAT implications, the fund excludes VAT but VAT will be charged by vendors but recovered by the challenge owner departments.

Risks and mitigation

Risk	Impact	Likelihood	Mitigation
WEFO P5 funds are not ultimately secured	High – would undermine building innovation skills and capability programme built upon	Low	WEFO has accepted plan and confirmed funding highly likely to be awarded
Competition costs are higher than expected resulting in overspend	High – would reduce number of funded projects and impact VFM	Low	Competition structure is well defined with proposal supporting experienced leadership and co-ordination
Competition costs lower than expected resulting in underspend	Medium– would impact timetable of planned competitions	Low	Challenges selected will be of sufficient scale and ambition to benefit – but also leaves scope for further challenges to be run
Challenges are framed in vague terms and do not attract industry bidders	High – would compromise competition process	Low	InFuSe programme established to prevent this
Failure to get investment out the door in time	High – delay could impact future competitions and lose industry interest	Medium	Expert and experienced project management support in place with direct liaison with businesses concerned
Lead in period is longer than anticipated	High – could compromise overall timeframe	Low	SBRI is an adopted long-term process with clear structure and frameworks to follow
Risk of overlap across competitions	Medium	Low	Evidence shows cases where proposers and responders have collaborated on larger scale and more ambitious outcomes
Public bodies fail to procure end solutions	High – could compromise validity and purpose of scheme	Medium	This is a key part of the criteria and is tested at every stage. Challenge owners must commit Some of the challenges such as Ambulance sanitization, has a clear end customer already in place
Without co-development the competitive nature of SBRI might mean that if local businesses aren't successful in bidding, wealth may be lost outside the region	High – could undermine purpose	Medium	Will ensure wrap around business support as part of the challenge with a geographical requirement for suppliers to engage in co-creation within the region (as per Civitech). This will help attract support from local

			businesses and/or attract inward investment opportunities.
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Commercial Case

The governance structure is clear with the Programme Steering Group supplemented by the commercial expertise and know-how of members of the Investment Panel followed by Regional Cabinet decision-making and approvals. The WEFO InFuSE programme further has its own reporting requirements to WEFO.

Greenbook adherence

SBRI is used in cases where the five-case HMT model ('the greenbook') cannot be met at first because the solution to a problem does not readily exist. This is consistent with the aims of the CCR IIF where it is recognized that infrastructure and innovation-style investments are clearly aligned to 'knowing' the answer or end point (knowns). However, in many instances the end points or answers will not exist or will not be known (unknowns). This requires a different, experimental process – consistent with the original rationale for supporting a challenge-led priority. At the end of the SBRI, CCR will have all of the info to make a five-case compliant procurement. The challenge process itself has to be consistent with this clear outcome – ensuring the process as a whole is retrospectively compliant with HMT model. All three funding priorities: innovation, infrastructure and challenge all adhere to the 5 case framework – but the challenge concept is about arriving at a concept that is compliant through a process of R&D because a solution doesn't exist – whereas infrastructure and innovation start with a stronger sense of adherence because a solution is known and can be more straightforwardly progress through the model.

State Aid

InFuSe is ESF funded and state aid compliant. SBRI is an established programme – operated successfully by the UK Government over many years, allowing the public procurement of R&D and essentially 'seed funding' the gap that exists for early stage companies with great ideas and potential products and services. As the public bodies are essentially buying R&D from firms at a fair market price, not for their exclusive use (the expectation is commercialisation) and where the competition is advertised in an open market – there is no advantage and consequently no state aid.

Commercial Considerations

The process must demonstrate that a workable commercial deal to deliver the proposed solution is possible. Following a round of challenge calls, challenges are selected and progress through the phases of the programme, with initially, R&D contracts awarded. Sponsor bodies who work with a business to the prototyping and production phases assume accountability and responsibility for procuring the solution from business.

In terms of management of suppliers through the programme, the partnership in conjunction with local programme leads will draft and issue contracts using standard SBRI templates. Contracts are milestone driven and payments made only when required stage-posts are arrived at. SBRI contract template balances risk with the level of innovation required. Procurement depts. in sponsor bodies should however review contracts to ensure minimum requirements are met, performing relevant due diligence prior to award.

Parameters/Limitations of the programme:

- Must adhere to broad principles of SBRI as a recognised and approved UK and Wales Government method for challenge-driven approaches
- Will need to address in direct and indirect ways, the key economic objectives of CCR
- Each challenge fund will need to have sign-off procedures and delegations to allow fluid movement and seamless progression that adheres to the IIF
- The scope of the programme is specifically aligned to local wealth re-building given the enormity of the Covid-crisis
- The programme itself will be delivered over two years with an additional year for a full review to be completed and future findings to be drawn up. Within the total funding envelope, c20% will be required to run, administer, support and operationalise the programme including marketing and commercialisation support and a WG secondee. This is consistent with running costs of the Challenge Prize Centre and typical SBRI.
- The programme will bring together a focus on building capacity for innovation, R&D skills and problem solving capability with application to a set of real world problems
- In aligning the InFuSe programme with SBRI, it will allow testing of proof of concept for the proposed Public Services Testbed.
- State Aid compliant – SBRI is a state aid compliant mechanism

Management Case

Project management

The programme will be overseen and managed across CCR, Monmouthshire Council, Nesta/ Cardiff University via a contracting authorities commitment. Procurement advice has been taken in this regard. Cardiff University will further contract with Nesta and Y-Lab for project delivery. This is to be confirmed.

Given the expertise in the WG SBRI CoE a secondment opportunity from its Innovation Team.

Wider considerations

Broader considerations pertinent to the management case are:

- Challenge funds are a departure from the traditional way of doing business. However there are examples of them across other City Regions with Combined Authorities and LEPs all supporting the need for a more experimental approach to economic growth. Doing so within a CCRC context is consistent with devolved freedoms and flexibilities
- WG and UK Govts has suggested that CCR must be comfortable the approach can be compliant with HMT requirements then this is considered in keeping with existing terms
- The proposed process will follow the green book approach and the full five stage business case model – albeit as outlined above – in different sequence. The reason for running the programme through the SBRI model is that this a UK and WG-approved mechanism used regularly and through which £0.5bn of public investment has been channelled to date. It is procurement compliant, tried and tested and has been subject to independent rigorous review
- Legal advice taken on this matter accords with this view and emphasises that CCR itself must satisfy – as with on any project – that the process is consistent with aims
- The IIF tracker shows that CCR is on track to deliver against objectives. This means this is headroom to be experimental and try new ways of securing better and more

innovative solutions to problems. The original 'fund' allocated to challenge areas was £90m. The proposed £10m is a much smaller sum, which leverages £6m at the outset and allows the concept to be developed, tested and demonstrated.

- In satisfying itself about the operation of a Challenge Fund, it should also be further reflected that City Deal is a devolution deal with freedoms and flexibilities for regions to decide how to best meet their needs
- HMT is currently reviewing the Greenbook Five Stage procedure

Practical delivery

The proposed programme will link the InFuSe project with SBRI delivery – an initiative which has been operational since 2008/09. There is a detailed process in existence for this developed by Innovate UK and applied to the 200+ SBRI projects it has run. There will be:

- A round of challenge calls inviting submission of a challenge
- Process for testing and refining challenges
- SBRI Accelerator + Investment Panel will recommend the best challenges in each SBRI to Regional Cabinet
- Delegations will be required for the CCR Director and Innovation Portfolio holder to sign off low levels of R&D spend and contract awards for up to £75K
- A full stakeholder engagement plan will be put in place

Metrics

Key Performance Indicators will include:

No of teams/ officers trained via InFuSe	Value of contracts at Ph 1 &2
No of competitions launched	Success rate of applicants
No of projects funded at phased 1&2	Commercialization opportunities
No of project converting from Ph1-2	Profile of applicants

Indicators for the impact evaluation will include output, outcome and impact in relation to:

Direct effects of Fund on firms	Metrics on broader effects on firms	Direct effects on participating public bodies
Sales or profits of products developed	Total sales and proportion of sales from exports	No of projects resulting in procurement by challenge owner (where difference value to that of procurement)
Licence income	Total no of employees and average wages	Procurement expenditure in area related to innovation sought
Direct employment and wages related to participation	R&D spend and adoptions levels	Qualitative assessment of impact on departments
Further investment in R&D	Impact on other firms through displacement	Benefit of product on unfulfilled need
Patents/ IP	Changes in profits and wages	Wider effects on procurement



Llywodraeth Cymru
Welsh Government

Pre-commercial Procurement: An Approach for Procuring R&D Services

**Procurement Advice Note (PAN)
for the Public Sector in Wales**

Contents

Section	Page No.
1. Introduction	3
2. Using the Pre-commercial procurement approach – What to Consider	4
3. The Tender Process	6
4. Do's and Don'ts of Pre-commercial Procurement	12
5. Examples	15
6. Frequently Asked Questions (FAQs)	16
7. Guidance, Templates and Tools	18
8. List of SBRI Competition Template Documents	19
9. Acknowledgements and Useful Links	20

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

1. Introduction

This Guidance Note provides advice on using the pre-commercial procurement approach for Research and Development (R&D) services that involves risk benefit sharing at market conditions and in which a number of companies develop in competition new solutions for mid- to long term public sector needs. Pre-commercial procurement is an approach which can be used to procure R&D services other than those where "the benefits accrue exclusively to the contracting authority for its use in the conduct of its own affairs", on condition that the service provided is wholly remunerated by the contracting authority and that does not constitute State aid.

The approach presented is consistent with advice published by the Commission of the European Communities, the existing legal framework for the public procurement of R&D services as set out in the Public Procurement Directives, the WTO GPA, the Fundamental Treaty Principles, as well as competition law including State aid law.

This guidance has been developed to support organisations in the development and implementation of SBRI challenges and in support of the Welsh SBRI Innovation Catalyst Programme. A Welsh Government initiative led by the Department for Economy, Science and Transport, the Welsh SBRI Innovation Catalyst Programme is intended to drive participation from the public sector and businesses in Wales in Small Business Research Initiative (SBRI) competitions. It is envisaged that the Programme will catalyse the procurement of innovative solutions and help deliver a culture change which improve supplier engagement through outcome-based specifications.

The Welsh SBRI Catalyst Programme will identify public sector problems and challenges with a view to supporting Welsh public sector competitions which drive innovation in the areas of:

- Life Sciences and Health
- Low Carbon, Energy and Environment
- Advanced Engineering and Materials
- ICT and the Digital Economy

2. Using a Pre-commercial Procurement approach – What to Consider?

Pre-commercial Procurement is an appropriate approach where the needs of the public sector body are so technologically demanding and in advance of what the market can offer that either no commercially stable solution exists yet, or existing solutions exhibit shortcomings which require new R&D.

The following sections describe the steps to prepare for a pre-commercial procurement.

2.1 IDENTIFYING CANDIDATE PROJECTS FROM PUBLIC SECTOR NEEDS

In situations where there is a concrete public sector need but the best way to address it is unclear, public purchasers can organise an initial open dialogue with the supply side in order to develop a better understanding of the available options. This dialogue would clarify market gaps with respect to actual needs. By developing a deeper understanding of ongoing industrial developments in terms of technological maturity, this engagement could

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

help public purchasers distinguish between purchasing needs that require new R&D versus others that concern primarily commercial development.

For purchasing needs that require new research and development to create solutions that are **not available on the market**, the public purchaser can decide to start a pre-commercial procurement.

2.2 DECIDING ON THE PRE-COMMERCIAL PROCUREMENT CONTRACT STRUCTURE

Firstly, it should be noted that the scope for pre-commercial procurement is R&D services only. This can cover activities such as solution exploration and design, prototyping, up to original development of a limited volume of first products or services in the form of a test series (as referred to in Annex II and Annex XVII respectively directive 2004/18/EC and 2004/17/EC attached here:



The World Trade Organisation (WTO) Government Procurement Agreement, article XV, also says:-

“Original development of a first product or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the product or service is suitable for production or supply in quantity to acceptable quality standards”.

When deciding if this approach is appropriate note that R&D does not extend to commercial development activities such as quantity production, supply to establish commercial viability or to recover R&D costs, integration, customisation, incremental adaptations and improvements to existing products or processes

Before embarking on a R&D / SBRI process, public purchasers should consider whether it would be more suitable to run an alternative outcome-based procurement exercise instead such as competitive dialogue.

Organisations should also be aware that in pre-commercial procurement, the public purchaser does not reserve the R&D results exclusively for its own use. Public authorities and industry share risks and benefits of the R&D needed to develop new innovative solutions that outperform those currently available on the market.

By organising the risk / benefit sharing and the entire procurement process in a way that ensures maximum competition, transparency, openness, fairness and pricing at market conditions allows the public purchaser to identify the best possible solutions the market can offer. It is a competitive procurement designed to exclude state aid.

As a rule, the relationship between the public purchaser and the company within the pre-commercial procurement should not include a state aid element, and this should be excluded through the appropriate design of the contract. Where public authorities buy R&D from companies at market price, there is no advantage and consequently no element of State Aid. When the pre-commercial procurement approach is applied, it is critical to check

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

whether or not a company participating in the procurement receives an advantage. This will depend on the terms of the contract between the public purchaser and the companies.

In pre-commercial procurement the contracting authority does not assume all the results and benefits of the R&D services performed in the contract exclusively for itself for use in the conduct of its own affairs, but shares them with others. Sharing R&D results and benefits with the public sector and industry outside the pre-commercial procurement project can be done through:-

- (i) Wide publication of the R&D results after completion of the pre-commercial procurement, and/or
- (ii) Contribution to standards bodies in a way that allows other stakeholders to reproduce the results of the R&D.

In order to ensure that such an approach of sharing R&D results outside the project is beneficial for the public purchaser and companies participating in the project, R&D risks and benefits are shared between them in such a way that both parties benefit of actively promoting wide commercialisation and take-up of the newly developed solutions.

To limit the financial risks of the public purchasers and to ensure equal chances for all potential bidders, it is important to fix the contract conditions up front and clearly describe all rights and obligations of both parties in the contract notice. It is also helpful for the public purchaser to work with a price range indication in the contract notice to extract the best offers at market price: this ensures a certain minimum quality level of incoming bids, while still allowing companies to compete on price. Requiring companies to submit fixed price offers has the advantage that companies are responsible to cover at their own expense any additional unforeseen costs in their individual design that they may incur above the fixed price they have committed to in their bid. In exclusive development contracts, in return for bearing all the development risks, the contracting authority obtains exclusive rights to all results and benefits resulting from the development contract, such as the Intellectual Property Rights or IPRs. However, there are disadvantages to this approach when the public purchaser does not need exclusive rights. The public purchaser will pay the expensive price of exclusive development; the company is not able to re-assign people involved in the development to other projects (because of the risk of inadvertently breaking IPRs) and is not allowed to re-use the results for other customers. These arrangements are not conducive to innovation. Therefore, when the public purchaser does not require exclusive ownership of all R&D benefits, IPRs is one of the possible areas where both risks (filing/litigation costs and the exploitation responsibilities) and benefits (the rights of use and licensing incomes) can be shared between public purchasers and companies participating in the procurement. It is in both parties' interest to share the IPRs in such a way that promotes wide commercialisation and take-up of the newly developed solutions.

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

3. The Tender Process

3.1 Pre-Process dialogue

Beginning with an open dialogue will make it possible to broach the views of the market before starting the tendering process. This would have to be done under the condition that the seeking or accepting of advice does not have the effect of precluding or distorting competition.

3.2 The Tender

The tender stage can be split into up to 3 phases, see Figure 1 (page 9).

Public purchasers should always begin with an advert to alert companies to the competition. The use of competitive tendering fosters innovation and encourages new and original thinking. The intention at this stage is to select multiple companies to start the project in parallel and this should be announced in the contract notice. If a multi-stage procurement, then the advert should clearly outline the phases to be followed for the process.

The tender should be published widely, by advertising on Sell2Wales and through the relevant procuring organisations' websites, the Technology Strategy Board (TSB) channels (eg Knowledge Transfer Networks) and the Welsh Government's innovation communication channels.. Using these routes the public purchasers should satisfy the requirement to attract sufficient competition and reach all potential bidders. Allowing companies from anywhere in the world to make offers regardless of the geographic location of company head offices would be an open and effective way to promote the creation of growth and jobs in Wales without excluding non-Welsh firms. By using the above channels the procurement process can be organised to stimulate companies to locate a relevant portion of the R&D and operational activities related to the pre-commercial development contract in Wales.

Once the advert is placed you must have a project brief available in the form of a functional or output-based specification. Using this type of specification enables the public purchaser to formulate the pre-commercial procurement tender as a problem to be solved without prescribing a specific solution to be followed

The public sector sponsor should give careful consideration to the length of the prototype period to ensure the solution is sufficiently tested to ensure full viability. Also, they should consider the impact of the timing of going to full market competition in setting the duration of the prototype period. The specification and/or terms & conditions of the contract should also include a requirement to secure Community Benefits outcomes through the delivery of the contract. Principle 4 of the Wales Procurement Policy Statement, announced by the Finance Minister in December 2012, requires Community Benefits to be delivered from all public sector contracts where such benefits can be realised. A Programme for Government commitment and part of the Tackling Poverty agenda Community Benefits policy recognises public procurement as a major lever to change the way business is done in Wales, using Welsh Government expenditure to stimulate growth and maximising the creation and retention of jobs in Wales. The policy is focused on helping the public sector to deliver contracts that result in re-investment in local communities, providing opportunities that help disadvantaged people back into employment & training and stimulating local supply chains.

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

Summary of things to think about during the SBRI process:-

- Make sure you give suppliers unique ID numbers
- Set up a dedicated email address/mailbox and website for suppliers to easily access information and express interest, raise queries, etc.
- What will the impact on service configuration be

3.3 Evaluation

Once the applications/bids have been received the evaluation panel should be convened. As with all public procurements the purchaser must evaluate all bids according to the same objective criteria regardless of the nationality of the bidder. It is important to ensure due diligence is applied to the process to ensure that the suppliers which have bid have the required capability and capacity to deliver and are of sufficient financial standing. In addition you need to consider such things as technical feasibility, evidence base, freedom to operate, IP issues, whether product is already available or market ready and potential conflicts of interest.

The following award criteria can be used to award the contracts:

- ability to address the problem posed in the tender
- technological quality & innovativeness of the proposal
- added value for society/economy of the proposal - this criteria can, besides plain cost aspects, also take into account the added value the proposal brings with regards to improving public services and the associated benefits for the whole society and economy. The criteria that are chosen must be specified in such a way as to be readily understandable, quantifiable and verifiable. It is this criteria that will allow you to evaluate the community benefit aspects of the bid.

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

Guidance for Assessors and an Example score sheet is available at annexes A & G.

At least two companies must be retained until the last phase to ensure a future competitive market.

3.4 Award

The contract with the successful bidder should contain an agreement on the future procedure for implementing the different phases, if a multi-phase approach is taken this will include the format of the intermediate evaluations after each phase to progressively select companies with the best competing solutions. The intermediate evaluations can make use of the same criteria used for contract award. The tender specifications can become progressively more specific with each phase. An example contract is provided at Annex F but please note this is a sample only, it is recommended that you seek your own independent legal advice.

Ensure you are clear on when the SBRI process will end....

Once the deadline arrives for final submission?

Once you have a product that delivers the agreed specification?

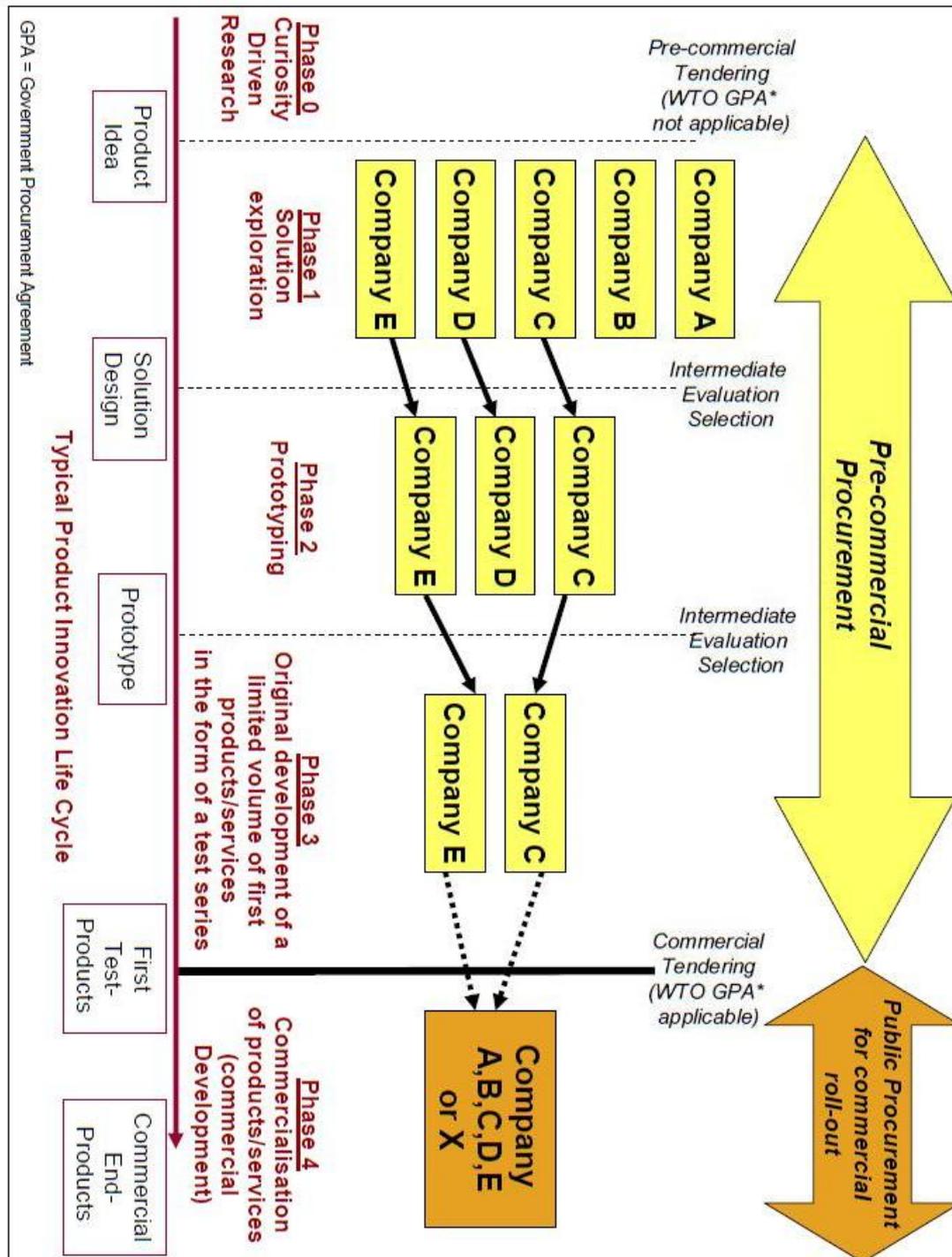
3.5 Follow-up - public procurement for deployment of commercial volumes

Leaving a clear separation between the pre-commercial R&D phase and the roll-out of commercial end-products resulting from the R&D enables public purchasers to filter out technological R&D risks before committing to procuring a full-blown innovative solution for large-scale commercial roll-outs.

Importantly at the start and during the pre-commercial procurement process the public purchaser should keep in mind that no action in the pre-commercial procurement procedure might preclude competition in the procurement for commercial roll-out when the public procurement Directives are applicable.

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

Figure 1



PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

4. Do's and Don'ts of Pre-Commercial Procurement	
DO	DON'T
Do note that pre-commercial procurement is for R&D Services <u>only</u> .	Don't use this approach for commercial development activities such as quantity production – consider whether an alternative process would be more suitable eg competitive dialogue
Do ensure sustainable procurement considerations are built in upfront. Ensure community benefits clauses have been built in where appropriate	Don't forget about the wider environmental, social and economic considerations where they can be linked to what is being bought
Do ensure your challenge is well-defined and likely to generate interest from a good mix of bidders	Don't try and define the solution...leave that to the bidders!
Do be clear upfront on the criteria and scores that will be used to assess bids	Don't miss the opportunity to advertise the competition on sell2Wales
Do begin the process with open dialogue.	Don't exclude non-Welsh firms
Do organise the risk/benefit sharing in a way that ensures maximum competition	Don't under-estimate the effort involved in the process
Do consider the state aid issues	Don't allow costs and timescales to drift
Do fix the contract conditions up front to ensure equal chance for all bidders and limit financial risk for public purchasers.	Don't place unnecessary burdens on suppliers by asking irrelevant questions and requesting large amounts of information
Do carry out effective contract management and supplier development	Don't 'let and forget' and hope the contract will run itself
Do think early on about risk management and mitigation	
Do think about the administrative and management support you will need and plan accordingly	
Do consider Welsh language requirements	
Do ensure a dedicated email address / website / contact for suppliers to access information, express interest/bids, raise queries, etc.	
Do give each supplier involved a unique ID number	
Do think early on about considerations covering staff/HR, contracts, estates, training, IT infrastructure	

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

Do ensure due diligence is applied to the selection process	
Do keep tight control over costs and timescales	
Do ensure wide publication of the R&D results after completion of the pre-commercial procurement.	
Do ensure intellectual property is retained by the contractor.	
Do consider how you will engage with suppliers and benefit from innovative products and services created.	
Do be clear on when your SBRI will finish	

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

5. Examples of SBRI Competitions

The Technology Strategy Board (TSB) competitions portal contains information on pre-commercial procurements undertaken across the UK – link below:-

www.innovateuk.org/funding-competitions

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

6. Frequently Asked Questions (FAQ) for Public Sector Bodies

Q. How does an SBRI Competition work?

A. SBRI enables public sector bodies in Wales to connect with technology organisations, finding innovative solutions to specific public sector challenges and needs. It aims to use the power of government procurement to accelerate technology development, supporting projects through the stages of feasibility and prototyping which are typically hard to fund. The programme offers an excellent opportunity for businesses, especially early stage companies, to develop and demonstrate technology, supported by an intelligent lead customer.

Q. Who is eligible to submit an application to a Welsh SBRI competition?

A. Any organisation can submit an application, although it is expected that opportunities presented by SBRI will be particularly attractive for SMEs. SBRI is aimed at organisations working on the development of an innovative process, material, device, product or service. Successful applications will be those whose technology best addresses the specific needs identified, with the potential to make a measurable improvement to currently available products, processes materials, devices or services. Development contracts will be awarded only to individual organisations. However, organisations may also wish to demonstrate that successful collaboration will enhance their overall development. Work may be subcontracted but this is the responsibility of the main contractor.

Q. Can University apply?

A. Universities may apply, however they must demonstrate a route to market, i.e., The application must include a plan to commercialise the results.

Q. Can Registered Charities apply?

A. Yes, registered charities are equally eligible to enter SBRI competitions via their trading company limited by guarantee. All organisations must demonstrate a route to market.

Q. Who owns the Intellectual Property generated by the Project?

A. Intellectual property rights are retained by the applicant although certain rights of usage may be applied by the funding authority including royalty-free, non-exclusive licence rights and the right to require licenses to third parties, at a fair market price.

Q. Can companies collaborate?

A. Contracts will be awarded only to individual organisations so whilst consortia will be able to bid they will need to nominate a lead organisation for contractual purposes.. Applicants can also identify components of the work which they wish to subcontract and may also employ specialist consultants or advisers if they believe this will increase the chances of the project being successful.

A new Joint Bidding Guide that makes it easier for businesses to form consortia to bid for public sector contracts is available on the Procurement Route Planner in the Policy Toolkit, via the following link:-

<http://prp.wales.gov.uk/>

Q. Do SBRI Contracts Constitute State Aid?

A. No. Where Public Authorities buy R&D from organisations at a fair market price, not for their exclusive use and where the competition is advertised in an open market, there is no advantage and consequently no element of State Aid.

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

Q. What is meant by 'community benefits'?

A. Principle 4 of the Wales Procurement Policy Statement requires Community Benefits to be delivered from all public sector contracts where such benefits can be realised. A Programme for Government commitment and part of the Tackling Poverty agenda Community Benefits policy recognises public procurement as a major lever to change the way business is done in Wales, using Welsh Government expenditure to stimulate growth and maximising the creation and retention of jobs in Wales. The policy is focused on helping the public sector to deliver contracts that result in re-investment in local communities, providing opportunities that help disadvantaged people back into employment & training and stimulating local supply chains. It involves the use of social clauses to specify outcomes and seek solutions which can become conditions of contract.

Q. Who should I contact if I have any further questions?

A. Questions on SBRI and the Welsh SBRI Innovation Catalyst programme should be addressed to:-

- Innovation@wales.gsi.gov.uk

- VWpolicy@wales.gsi.gov.uk

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

7. Guidance and Tools

Below are some of the policy guidance documents and supporting tools that are available to you for use in your procurement activity:-

Wales Procurement Policy Statement, December 2012

<https://prp.wales.gov.uk/toolkit>

Community Benefits Guidance, Maximising Value from the Welsh Pound, Value Wales 2010

<https://prp.wales.gov.uk/toolkit>

Community Benefits Measurement Tool for Wales, Value Wales, 2013

<https://prp.wales.gov.uk/toolkit>

Joint Bidding Guide, 2013

<http://prp.wales.gov.uk/>

Procurement Route Planner (PRP)

<https://prp.wales.gov.uk>

Commission of the European Communities guidance Pre-commercial procurement: Driving Innovation to Ensure High Quality Public Services in Europe

http://cordis.europa.eu/fp7/ict/pcp/home_en.html

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

8. Competition Template Documents

Please note, the example template documents that are provided (listed below) are **for reference use only**. Competition sponsors are free to modify and adapt the documents to suit specific competition aims and objectives, providing you remain within the boundaries of the pre-commercial procurement approach detailed within this Procurement Advice Note:-

Annex A – Guidance for Assessors

Annex B – Competition Brief

Annex C – Guidance for Bidders

Annex D - an Invitation to Tender (ITT) template

Annex E – Application Form (tender submission template) for Bidders

Annex F – Example Contract

Annex G – Assessor Score Sheet

Annex H – FAQs for Contractors

PRE-COMMERCIAL PROCUREMENT: AN APPROACH FOR PROCURING R&D SERVICES

9. Acknowledgements

Value Wales is pleased to acknowledge that it has drawn upon the following publications and organisations to supplement its own research to produce this guidance note (links are provided where appropriate):

1. Commission of the European Communities guidance Pre-commercial procurement: Driving Innovation to Ensure High Quality Public Services in Europe {Com(2007) 799 final} & {SEC (2007) 1668}

http://cordis.europa.eu/fp7/ict/pcp/home_en.html

2. Community Benefits Guidance, Maximising Value from the Welsh Pound, Value Wales 2010/ Community Benefits Measurement Tool for Wales, Value Wales, 2013
3. Value Wales Procurement Route Planners (PRP)
4. DG Consulting – SBRI Development Workshop (July 2013)

Future Generations Assessment

Name of the Officer completing the evaluation: Kellie Beirne Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk	Please give a brief description of the aims of the proposal Responding to the Covid-19 economic fallout via challenge-led development
Proposal: OBC Challenge Fund – building local wealth post Covid	Date Future Generations Evaluation form completed: 8 June 2020

1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The proposal is for a challenge-driven approach to creating prosperity. Therefore the problem is known and understood – but not the outcomes. Based on £0.5bn invested to date there is ROI and significant prosperity impacts through new market creation.	Through the various stages of the R&D process
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	One of the potential challenge areas identified is around acceleration of transport decarbonisation, a differentiated transport strategy and more general rapid attempts to decarbonisation.	Resilience is referenced as the key goal of the fund – building wealth at a local level

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	The new priorities emerge directly in response to Covid and sustainability challenges and opportunities	Discrete proposals that will emerge from this framework will make more of a direct impact upon this as the challenges develop
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The priority seeks to make a direct contribution to local wealth building, in order to support key local foundational economies.	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The proposal shows how the CCR can lead the way in pioneering new solutions and showing the foresight to get ahead.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	N/A	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The new priority set is about levelling across the region and ensuring a balance across interventions that will support the wider region and those which will be locally specific.	

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The programme is over 3 years. However the solutions that could be developed could be features of the medium and long-term</p>	<p>This will be under constant review.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The report sets out the different partners and sectors engaged in this work – both as challenge sponsors and responders</p>	<p>We want to encourage all participants to come forward – if supply exceeds demand consideration will be given to successive waves of the programme</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Successful SBRI shows that hundreds of stakeholders get involved with the process. It is not just about challenge ‘winners’ either – but the companies throughout the process that show promise and strike up new relationships and potential</p>	<p>How we work with ‘unsuccessful companies’ to signpost support and further direct them to other opportunities</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The focus of this is around providing economic support and resilience measures which will support local economies in the area hit hardest by the economic fallout of covid – public transport, food, tourism and retail/ leisure and hospitality</p>	<p>These sectors are key to the local economy – as the programme develops, if further interventions are needed and become apparent this will inform wider parts of CCR policy.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The challenge programme is entirely compatible with WFG and wellbeing goals as well as the five ways of working. It focuses on understanding and solving problems; the art of the possible; re-framing public procurement and focusing on sharing and spreading prosperity at a local level.</p>	<p>A key risk here is the availability of revenue funds in the CCR programme to support further challenge-led approaches.</p>

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	<p>Problem owners and solvers will be drawn from those who can sponsor a challenge and those who can solve them. Particular challenges as they are selected and chosen may have more in common with one age group than another and this will be addressed and highlighted at the time so positive impacts can be scaled and optimized and any negative impacts, appropriately mitigated.</p>	<p>As per 'positive' comment</p>	<p>Monitoring data and evidence required as part of challenge selection</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	The process is open to all and anyone can engage – there are no barriers to doing so. In this age of remote working – accessibility of briefing sessions and events will be given appropriate consideration.	As per 'positive' comment	Project management arrangements across all partners with central co-ordination via CCR office will ensure all risks and issues are managed through a risk process and all benefits are maximized wherever possible. For example, challenges may emerge that could have resonance for one specific social group more than another.
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above	As above	
Race	As above	As above	
Religion or Belief	As above	As above	
Sex	As above	As above	
Sexual Orientation	As above	As above	

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Welsh Language	As above	As above	

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		

5. What evidence and data has informed the development of your proposal?

<ul style="list-style-type: none"> • Economic evidence data and insight • SBRI review data • Govtech and Sivtech data • The original submission for the Public Services Testbed

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

As above, the main implications will be in the delivery of this work.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:

Quarterly via the IIF reports to Cabinet and quarterly performance monitoring with FBC to follow in September 2020.