ERP

Review of 2014-16
Proposal for 2017-19
• Ministers and HMT tasked DECC, RCUK, Innovate UK and BIS officials to review Governance of the Energy Innovation landscape.

• Goal to ensure government supported programmes are better aligned with our shared objectives.

• Ministers looking for simple clear structure with minimal overlaps.

• We plan, subject to final Ministerial agreement, to create a Strategic Board reporting to Departmental Ministers. New structure will replace the LCICG.

• Board’s role is to agree shared priorities, provide challenge and scrutiny for public support for Energy Research and Innovation (R&I).

• We expect the Board to include senior representatives from DECC, BIS, RCUK, Innovate UK and DfT. Ofgem we hope will also be involved.
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Diagram: Proposed structure

Inter-Ministerial Group “Clean Growth”

- Report impacts towards achieving high level government outcomes
- Challenge

Strategic Board
- Role: Oversight, Guidance, Advice
- Membership: Chair, Director level representation from key public funders, x2 independent members

External advisory function (e.g. Energy Research Partnership)
- To advise and challenge

Thematic Programme Leads
- Responsible for delivering a coordinated programme across government against a technology theme, e.g. smart systems

Programme Outcomes

- RD&D projects and programmes run by funders and jointly by multiple funders.
- Working groups including innovation bodies with an innovation focus, such as Crown Estate and the devolved governments inform policy.
Advisory Functions

The Strategic Board will need two things to support its work:

1. Access to Strategic Analytical Capability
2. Access to External Advise and Challenge

For 1. – Exploring whether the existing ETI Strategic Analysis team can transfer to the Catapult - subject to agreement by all parties. Would provide a resource that multiple parties could utilise for strategic analysis.

For 2. – We’d like to explore with ERP, how ERP can evolve its role to provide that support.

We will continue to need the analytical depth of ETI, but we need multiple voices to advise us (big corporates, SMEs, finance sector, academia).

Ministers unlikely to support the status quo. Need to bring the multiple strands together and avoid duplication.
DECC’s potential asks in practice

**WHAT**
1) Supporting our Strategic Board by providing periodic review and challenge of our programme, priorities and evidence base.
2) Providing us with capability for specific studies to be commissioned by DECC as part of the evidence base for future policy development.
3) Continuing to have a programme of member led research topics.

**HOW**
1) Ability to draw on deeper strategic capability where relevant.
2) Ability to bring in broader communities of stakeholders on a topic specific basis.
3) Ability for available strategic capability to undertake work for other customers, including ERP members.
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Survey of Members

Andy has met with 27 members – just a few to go:

19 likely to continue
6 under consideration
2 unlikely to continue

So clearly worth considering another 3 years
Feedback 1

Plenary

• On the whole very positive – don’t change too much!
• Management of discussion: excellent
• Networking opportunities: very good
• Size: “Just about manageable” to “too large”
• Openness: Most valued it as a forum for open honest discussion
• Topics: Benefit from learning about other sectors
• Seniority: Feeling it had crept lower, maybe inevitable but for impact it needed “movers and shakers”
Feedback 2

Membership

• Nearly all valued the broad membership
• Possible additions?
  • A bank or large investor
  • “Small” oil
  • Motor Manufacturer
  • Other ETI members
  • Environment Agency

NGOs
Public
Private

Small

Large

Acadme
R&D
Funders
Consumption
Regulation
Government
UK & Regional
Transmission
Production
Feedback 3

Distinctiveness
Hosting and/or combining with another organisation has been discussed.

Members are keen to retain:
• distinctiveness of ERP
• independence of its programme
• ability to critique all actors in the innovation chain
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**Timeline**

- **Current ERP Agreement**
- **Analysis Team employment contracts**
- **Redundancy notice period**
- **New agreement Jan 2017 to Dec 2019**

- **April**
  - Draft 1
  - Legal drafting
  - Concept
- **May**
  - Legal iterations
  - Shaping
  - (Plenaries)
- **June**
  - Agreed
  - Signing up
- **July**
  - Signed
  - New employment contracts
- **August**
  - Signed
- **September**
  - Signed
  - New employment contracts
- **October**
  - Signed
  - New employment contracts
- **November**
  - Signed
  - New employment contracts
- **December**
  - Signed
  - New employment contracts
  - New employment contracts
- **January**
  - Signed
  - New employment contracts
  - New employment contracts
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Questions for Discussion

• What role do you see for ERP in the future?
• Is the suggested challenge function consistent with the other likely changes in the landscape?
• Should ERP review on request proposals for innovation strategy / actions from Government?
• How will ERP ensure future impact

Next steps: In light of your feedback – develop options further for discussion with ministers. Expect further discussion with ERP members.