



## Trend Chart on Innovation in Europe

UK 7

### General presentation of the measure/scheme/action/regulation

#### Country

United Kingdom

#### Geographical coverage, national or regional (state region)

(National)

#### Title of the measure

Sector Challenge

#### Information Source/Reference

DTI, Sector Challenge and Technology Policy Unit

#### Overview (nature, main goals)

A competition (October 1996) for all business sectors. Proposals must aim to significantly improve competitiveness and meet at least 1 of 4 key objectives: developing people and skills; exploiting technology; entering new markets; improving access to finance. 606 proposals. 186 winning projects announced (May 1997). £35.1 million (EURO 56.7 million) committed on a 50:50 basis.

#### Action Plan objective addressed by measure

I.4. Innovation & Management  
II.5. Financing  
III.2. Strengthening Company Research

#### Administering agency

[DTI - Department of Trade and Industry](#)  
151 Buckingham Palace Road, United Kingdom

Web Site: [www.dti.gov.uk](http://www.dti.gov.uk)

#### Name of the manager(s) responsible for the implementation of this measure with address, fax, phone

[No specific contact](#)

DTI - Department of Trade and Industry  
151 Buckingham Palace Road, United Kingdom

### Description of Scheme

#### General Information

#### Reference to legal basis (e.g. act, public document, ...)

As the programme covers business sectors sponsored by nine Government Departments there are several legislative acts which give the relevant Departments the powers to provide Sector Challenge grants to business. These include: Science and Technology Act 1965; Industrial Development Act 1982; Food Industry Development Scheme 1997; Development of Tourism Act 1969; Employment and Training Act 1973

#### Does the measure receive central funding or regional funding?

Central

#### Start date

1996

#### Expected date of completion

2000

#### Previous measure (name, date, links with the current measure)

N/A.

#### Reasons for launching/modifying the new measure

To stimulate business to develop the collaborative partnerships needed to raise the competitiveness of sectors of business

#### Have any of the main features of the measure/scheme/action/regulation changed during its implementation

No, but changes may be introduced in future rounds of the competition to sharpen the focus and thereby more closely align the programme with the priorities to be set out in the next White Paper on Competitiveness (which will be published by the DTI in autumn 1998).

#### What is the predominant role of the government?

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The projects are devised by business organisations to meet the perceived competitiveness needs of their sectors. To enable them to be implemented, limited funding (at least matched by private sector contributions) is provided by the Government.

### Target Group

#### Who are the target groups of the measure?

Large Companies/Large Industrial Companies  
SMEs/Industrial SMEs

### Organisation and Implementation

#### Organisation and Structure

The Sector Challenge Unit in DTI was created to provide overall management of the programme which is steered by an inter-Departmental Working Group of officials drawn from all the sponsor Departments. The Unit receive proposals and distribute them to officials in the relevant sponsor Department who from their familiarity with a sector are able to assess the proposal against the published criteria (see note below on the process for selecting winning bids). Winning proposals are managed by the relevant sponsor Department.

#### What are the criteria for eligibility?

The Sector Challenge Unit in the DTI manages the programme and have a responsibility to ensure that the competition is carried out fairly. The criteria have been set objectively and officials receive more detailed guidance on assessing proposals. The Unit scrutinises the assessments by officials in DTI and other Departments to ensure that no over-marking is being carried out to benefit particular sectors of business. The members of the independent Assessment Panel receive a set of proposals which includes a common set of proposals to ensure their assessments are objective.

#### What is the mode of delivery of the measure?

Proposals are invited from business when the bidding guidance is published. Short proposals are required at the Outline bid stage and these are assessed by officials in the relevant sponsor Department against the criteria published in the bidding guidance. All short proposals (with the assessments carried out by officials) are then considered by an independent Assessment Panel which determines which proposals should be encouraged to be developed into Full bids. At the Full bid stage, the more detailed proposals are assessed by officials in the relevant sponsor Department. All the Full bid proposals (with their assessments by officials) are then considered by an independent Assessment Panel which recommends to Ministers a list of winners. The President of the Board of Trade, consults Ministerial colleagues in other Departments and then announces the winners. The winning projects are managed by the relevant sponsor Department, which finalises the offer of Government support and provides grants against expenditure incurred.

#### Financing : Overall budget allocated to the measure

Not known

#### Financing : expenditure per year

Not known

#### Financing : other budgetary sources (additional financing)

Not at present.

### Results

#### Result Measurement

##### What are the main indicators for the measurement of the results ?

All projects have set output measures to enable success to be determined. With the variety of projects in the Sector Challenge programme, a wide range of measures are being used and therefore success can only be measured on a case by case basis.

##### Where an evaluation has taken place, what were the main results achieved?

A full evaluation will take place at the end of the programme.

##### If no official evaluation has been undertaken, have there been any indicators of success?

Too early to undertake an evaluation. Further rounds of Sector Challenge are in abeyance while the Government considers the programme in the context of the Comprehensive Spending Review.

### Observations

#### Which mechanisms seem to function well in the measure?

A consultation with business in the autumn of 1997 on the Sector Challenge approach revealed that the process was acceptable to business apart from the very short time scales. We have noted this and will allow more time in any future rounds.

#### Which mechanisms seem to be less successful in the measure?

See above.

#### Are there any other measures planned or in operation as a follow up to this measure? Direction of the planned measures? Objectives? Target groups?

N/A.

