

Terms of Reference for Jersey Innovation Review

Purpose

Facilitating increased innovation, enterprise and inward investment is a key element of the draft 2015-2018 Strategic Plan priority to maximise economic growth. To achieve this, the Council of Ministers have agreed that a key area of focus will be the development of a new innovation strategy to build on the success of the Innovation Fund. To inform this strategy, the States of Jersey wishes to undertake a review of Jersey's current innovation strengths and weaknesses and options for enhancing its current innovation policy mix.

The purpose of this review has been specified as:

“What priority interventions should the States of Jersey put in place to accelerate innovation, and hence productivity growth, in the medium- to long-term?”

Scope

- Focus on innovation but identify and flag up linkages to other policies.
- Focus on the private sector, but outline where actions might also impact on the public sector.
- Cover a broad set of potential interventions, to avoid missing opportunities. This means that education, tax, migration etc. all in-scope.
- Set within the context of existing strategies and policies.
- A range of medium-term and longer-term actions, accepting that some of the longer-term actions may require more work before being implemented.

Key questions

In order to formulate a focused and effective innovation strategy for the States of Jersey, the following questions need addressing:

- In general terms, what are the fundamental inputs and drivers of innovation, both in terms of sector characteristics and government policies?
- How does Jersey perform on these inputs and drivers relative to other similar countries (including some analysis at sectoral level)?
- In areas where Jersey underperforms, what are the main barriers to greater innovation (again, ideally at least partly at sectoral level)?
- What are the interventions that should be considered for improving innovation performance and what is the current Jersey policy on each of these?
- Given areas of underperformance, main barriers and options for government intervention, and Jersey's existing policies, what are the priority actions Jersey should pursue?

Approach

Drivers

An initial review of the drivers of innovation evidenced elsewhere; identifying which of these will apply to Jersey. This should include both characteristics of the Jersey business environment and innovation system and an overview of existing policies that impact Jersey's innovation performance.

Jersey performance

Based on the drivers identified as important to Jersey, an assessment will be made of where Jersey stands in comparison to other comparators (to be agreed but may include e.g. Switzerland, Luxembourg, Ireland, Iceland and a UK comparator).

This will include four steps:

1. Desktop review of the available information for Jersey on the identified drivers. This should include a list of quantitative benchmarks, to be analysed through survey and existing statistics, as well as key qualitative drivers to be explored through interviews. It should also include a comparison of key Jersey policies vis-à-vis comparator countries.
2. Survey to collect any further information.
3. Interviews with businesses, stakeholders, government agencies. To include:
 - Jersey Business
 - Digital Jersey
 - Chamber of Commerce
 - Institute of Directors
 - Finance sector
 - Retail sector
 - Construction sector
 - Tourism sector
 - Other sectors as agreed
 - Additional companies that emerge from stakeholder/agency discussions
4. Quantitative benchmarking against comparators agreed previously. Case studies to include these comparators plus other small jurisdictions with limited quantitative data but from which qualitative insights would be valuable.

Barriers / market failures

Drawing conclusions on the main barriers based on the analysis from the interviews as well as data available. This may well go broader than areas traditionally linked directly to innovation.

Actions

Recommendations (high-level where necessary) to address the barriers and market failures identified. Approximation of cost (high, medium, low, no cost), impact and speed of implementation where possible.

Timeline

Completion in June 2015.

Governance

The review will be led by Tera Allas - former Director General, Strategic Advice, at the UK Department for Business, Innovation and Skills (BIS). Support will be provided by the States Economics Unit.

Contact

For further information contact:

Greg Boyd, Economics Unit, Chief Minister's Department

Tel: 01534 440 482

E-mail: g.boyd@gov.je