Future of UK's Innovation agency under threat

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The proposal to integrate Innovate UK into UKRI is deeply flawed. By David Hughes

The <u>proposal</u> to integrate the UK Innovation Agency (<u>Innovate UK</u>) into the newly created umbrella organisation for Research Councils (UKRI) is deeply flawed. It appears to be based on the false premise that research and innovation are synonymous. While scientific research is important, policy development needs to differentiate between scientific research (the creation of knowledge) and innovation (the creation of value, hence wealth). If we really want to grow the UK economy fast after Brexit, understanding how to stimulate innovation will be critical.

In a <u>recent speech</u>, Minister for Universities Jo Johnson, failed to respond to a question which invited him to explain why he had overridden strong concerns about integrating Innovate UK into UKRI. During <u>Sir Paul Nurse's review of the Research Councils</u>, the Royal Academy of Engineering had expressed strong reservations that such a move would harm innovation and in his final report, Nurse had specifically cautioned about such an integration because Innovate UK and the Research Councils have different audiences and different methods of delivery.

Most innovation does not come from science alone, exemplified by developments such as container freight, PIN numbers, and Dell's production and distribution system, not to mention Google's Adwords model, and Facebook's mobile advertising platform. The genius of these innovations comes from taking existing technologies and combining them in novel ways which satisfy user unmet needs and add value. There are signs that politicians are realising the importance of value creating innovation as a driver of economic growth and it is notable that the House of Lords Science & Technology Committee has recently sent a very strong letter to the Government asking the Minister for Universities to reverse the decision to integrate Innovate UK into UKRI.

The fracas over Innovate UK is a precursor to the much wider issue of the need for a UK industrial strategy which has been given more urgency as a result of the proposed takeover of Arm Holdings by the Japanese firm SoftBank.