

view from the top david hughes

New broom sweeps innovation into the corner

What will be the impact on the UK's science and innovation of the government changes that the new prime minister announced last week? There are three main reforms.

- The work of the Office of Science and Innovation, formerly of the Department of Trade and Industry, is going into a new Department for Innovation, Universities and Skills (DIUS);
- The rest of DTI and the Better Regulation Executive (BRE) from the Cabinet Office is becoming a new Department for Business, Enterprise and Regulatory Reform (DBERR);
- A Business Council for Britain, made up of leading business figures, is being established to advise government on how it can best promote the long term health of the UK economy and ensure that resources are focused on the areas where they will make the greatest impact on the business environment.

We are, of course, lacking substantive details on these announcements but already some critical questions are emerging.

In my view, the case for investment in basic research is strong for two key reasons: the talent that such research develops and the knowledge networks that are built up in the academic and researcher base. These are people-centric activities and so there is a potential positive in putting science, universities and skills in one focused department to ensure that we continue to increase the number and quality of our science graduates and researchers.

But, and this is crucial, it is important that funding for science continues to increase if the UK is to catch up with the world's leading countries. So, my first questions are these. Will that science budget be maintained in the new DIUS? And, equally important, will the headline funding statements be diluted by diverting some of the ring-fenced budget into other activity [RF 4/04/07, p1, 2, 4, 5, 20, 21]? There are already worrying signs that science funding could be inadvertently redirected. Take, for example, the Cooksey recommendations for a joint Medical Research Council/Department of Health budget and the rumours that the research councils are being

pressed to divert funds to support Technology Strategy Board activity.

It also appears that the break-up of the DTI will make it even more difficult to exploit new science ideas. Putting 'innovation' in the DIUS title, instead of 'science', shows a lack of understanding of what innovation and its role in economic growth is all about.

Most informed commentators in this area recognise the difference between 'science-based inventions' (new ideas) and 'commercially viable innovations' (successful launches of new products or services into the marketplace). Understanding the difference and choosing policies that will help business to create the innovative products and services that really drive the economy are imperatives. As Harvard economist Martin Weitzman has noted: "The ultimate limits to growth may lie not as much in our ability to generate new ideas so much as in our ability to process an abundance of potentially new seed ideas into usable forms."

Since innovation was integrated into the Office of Science & Technology (to form the OSI, within the late DTI), is there any evidence that there has been an increase in the support to business for the commercial exploitation of new inventions? Crucially, by leaving innovation policy with OSI (now part of DIUS), will this make it even more difficult for the new DBERR to make a significant impact on UK economic performance through innovation?

Finally, let's turn to the creation of a Business Council for Britain. We should perhaps wait to see the full remit of this new body but there is a curious perennial *déjà vu* about this particular announcement.

In March 2004, the then Prime Minister established a new Council for Science and Technology that comprised 16 eminent scientists and business figures, people of huge standing such as Sir Rob Margetts, chairman of insurer Legal and General. In February 2005, Gordon Brown, as Chancellor, set up the UK Science Forum, chaired by Sir Tom McKillop, a distinguished scientist and businessman. Then, in March 2006, he announced the formation

Continued on page 18

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'Putting the word "innovation" in the DIUS title, instead of "science", shows a lack of understanding of the role of innovation in economic growth'
David Hughes

David Hughes from page 16

of The Business Advisory Group, which included people such as Bill Gates, founder of software developer Microsoft, and Sir John Rose, chief executive of Rolls-Royce. And then, of course, there is the re-creation of the Technology Strategy Board as an “arms length body” of senior industrialists to drive the government’s technology strategy. Crucially, you have to ask yourself, what impact are all these different groups having? How do they relate to each other?

We should welcome the influence of business people in government. However, unless they meet more frequently than twice a year and there is clarity of roles with a real commitment to implement the ideas put forward, the business council will become just another credit for the members’ entries in *Who’s Who!*

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Jonathan Adams from page 17

places and enabling a pipeline of knowledge transfer to work for the UK without being badgered by short-termism from the late Department of Trade and Industry’s time-expired industries.

But it also has the potential to destroy the very flexibility and dynamism that makes the UK such a great place for research. The UK works because the university research base is strongly motivated and powerfully self-managed. It’s the nature of a system that has grown up under the benefits of a predictable funding core allied to a competitive stream of project grants: the funding council nurtures and the research councils incentivise.

Nice new department, big cosy feel for research, but that’s when they get you.

In the nightmare scenario, the terriers of innovation and of skills begin to worry and weaken the HEFCE rat. Losing blood, staggering blindly, it loses its third-leg funding. Now its second leg of research is vulnerable too, and ‘bang!’—there goes your dual support.

The next thing you know, huge snakes, some of them hundreds of miles long, will raven the land, Victoria Beckham will be elected to the Royal Society, terrifying floods will inundate Yorkshire mining valleys and steelworks. Wild imaginings you say, but it could happen. Oh, it just did. I’d better go and mop out the whippet.

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“A big risk will be incurred for very sound reasons. Have you ever put a rat in a barrel with two hungry terriers? Well, you should visit Yorkshire more often.”

Jonathan Adams

BARELY 18 MONTHS ago, Gavin Costigan of the Office of Science and Technology, now the Office of Science and Innovation, completed his investigation of how research council institutes were being run, and came down hard on the Biotechnology and Biological Sciences Research Council. The BBSRC institutes were run as companies limited by guarantee with charitable status, but despite “a number of steps taken to define responsibilities there remains a lack of clarity”, reported Costigan, and “there are governance weaknesses within some of the BBSRC institutes”. Clearly, something had to change.

A subsequent review, commissioned by the BBSRC and published last October, offered two options. Institutes could either come under the direct control of the research council, or join with a university.

So far the fates of six of the seven BBSRC institutes have been all but decided. Three will be brought under the research council’s direct control, starting with Rothamsted Research in April 2008, followed by the Institute for Animal Health (IAH) and the Babraham Institute in April 2009. Three others, including the Roslin Institute, the Institute for Grassland and Environmental Research (IGER), and the Institute for Food Research (IFR) will join universities. No decision has been made yet about the future of the John Innes Centre.

The Roslin Institute will become part of the proposed Edinburgh Biosciences Research Centre at the University of Edinburgh in 2008 along with the Neuropathogenesis Unit of the IAH and the Scottish Agricultural College. IGER will be transferred to the University of Wales Aberystwyth to form part of a new centre for land-based research, from April 2008, with the exception of the North Wyke site in Devon, which will be taken over by Rothamsted. The university and IGER will then develop a new Institute for Sustainable Land Use in partnership with the University of Wales Bangor.

Mervyn Humphreys, director of IGER, is optimistic about the institute’s new partnership with the university. “It is a good opportunity to carry high quality science forward into a sustainable future,” he said.

IFR is currently in the process of choosing a university partner to take control of the institute. It will present its proposal to the BBSRC Council at its meeting on 11 July. The University of East Anglia is the obvious choice, but not the only one. “We are in discussions with UEA at the moment,” said an IFR spokeswoman. “We are developing a coherent formal proposal which we will present to the BBSRC Council in July.”

But the idea of public research institutes being swallowed by universities does not sit well with the trade union Prospect, which represents scientists at the institutes. In April, it asked science minister Malcolm Wicks and the BBSRC council to review the scientific case for change before decisions on the institutes’ futures were taken. The proposal was rejected. The union is concerned