

## **Response to the Department for Business, Innovation and Skills' consultation on Innovate UK's integration with research UK**

**What do you see as the main benefits of the integration of Innovate UK with Research UK and how will integration provide opportunities not currently available, or taken, to increase innovation?**

The Society supports closer links between Innovate UK and the research councils but not in a fashion that undermines the fiscal and strategic autonomy of either. Their purposes and functioning are distinct. The desire for closer links resonates with the Dowling Review that observes "closer communication and collaboration between the Research Councils and Innovate UK could further strengthen the offering for collaborative R&D and innovation support" and the Nurse Review. Further details of the Society's position on the proposals in the Nurse Review can be found in the Society's response to the Higher Education Green Paper:

<https://royalsociety.org/~media/policy/Publications/2016/royal-society-green-paper-response-160115.pdf>

**What are the main risks for both business and research of the integration of Innovate UK into Research UK?**

Innovate UK needs strong links with both research and business to be successful. The integration of Innovate UK into RUK carries the risk that links to business might be diluted and more industry focused schemes lost because the research councils and QR are less industry orientated and together represent a greater proportion of RUK.

Robust mechanisms – potentially through primary legislation – are needed to ensure Quality-Related, Research Council and Innovate UK funding streams are managed and administered independently, both now and in the future. Crucially, the autonomy of the leadership of these separate funding streams must be maintained.

While not strictly part of the integration of Innovate UK with RUK, repayable financial products from Innovate UK, announced in the Spending Review, could adversely affect innovation within businesses and must be carefully designed to avoid this challenge.

**Are there any specific issues Government should consider when looking at the practical arrangements of integrating Innovate UK into Research UK?**

It is likely to be a number of years before RUK is fully operational. Delay and uncertainty pose a serious risk to the UK research system, as do unintended consequences of changes that have not been fully thought through. To reduce these risks, the Government must be transparent and consultative with academia, industry, charities and the public sector throughout policy development and implementation. The Society would be happy to support this process by convening discussions and providing independent expert advice.

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