

REFORM



The future of research and innovation in the UK

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Reform was delighted to host a private roundtable to explore the challenges and opportunities surrounding research and innovation in the UK. The event, held under the Chatham House Rule, featured Professor Dame Ottoline Leyser, Chief Executive of UKRI, and other sector leaders, and was kindly sponsored by PA Consulting.

Few issues are as central to the UK's long-term success as research and innovation. With a budget of over £8 billion, UK Research and Innovation (UKRI) plays a pivotal role in shaping this landscape—directing funding, promoting the development of skills, and working across a complex administrative and partnership landscape to align the country's extraordinary research capabilities with national priorities.

In an era of constrained public finances, rapidly advancing change, and shifting political priorities, ensuring that every pound on research and innovation is well spent becomes an extraordinary challenge. Forthcoming research from PA Consulting suggests that, while the various players in the UK's public and private sectors recognise the importance of R&D, they also tend to overestimate the effectiveness and performance of their own use of it. Participants engaged in a lively discussion of the most significant challenges and opportunities for the future of research and innovation in the UK

Culture and leadership amid uncertainty

The fact of uncertainty was a major theme emerging from the roundtable. By definition, efforts in research and innovation cannot guarantee their results in advance, making their compatibility with risk-averse bureaucracies very challenging. Similarly, the unpredictability of economic and political conditions can also have a significant impact on R&D.

Participants underscored the importance of leadership and culture in driving innovation as

circumstances change, and the effectiveness of such an approach even when individual outcomes can be uncertain. Professor Leyser framed the challenge as achieving mutual reinforcement between fostering productivity, delivering innovative public services, and empowering individuals to thrive – all of which could be demonstrably supported and connected through well-directed research and innovation investment in the aggregate. To realise this, a “portfolio approach” was – to the consensus of those in the discussion – deemed to be the best way to mitigate the downsides of investments that might not ultimately lead to immediate, or indeed any, returns.

To normalise a slightly greater appetite for risk, culture change would be required in many institutions. The perception that an experiment disproving some hypothesis would be categorised as a “failure” within parts of the political or policy system was described by one participant as a major barrier against the development of more innovative approaches that could ultimately be of enormous benefit. “Experiments don't fail; they just deliver different answers that we can learn from” as another participant put it.

The UKRI was identified in the discussion as a key aspect of the system when it works well, playing a consistent role in connecting together the various parts of the system – government, academia, and industry – and helping to incentivise R&D through risk and uncertainty. This requires a kind of systems thinking, which scientists are particularly able to think through, as the implications of action in one part of this

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complex web would “inevitably ripple through to the others”.

In this context, participants also highlighted the role of strong leadership in fostering innovation—not just technical knowledge but skills in change management and vision-setting.

Scaling for impact

Another major theme from the discussion was the reflection that, while the UK excels in research, scaling innovation to achieve widespread impact remains a continuous challenge. Participants discussed the role of both public and private sectors in addressing this gap. Despite high recognition of innovation's importance, many businesses struggle to adopt and scale new technologies. One participant highlighted that, while it is increasingly common to focus on start-ups and seek to foster innovative practices from small and medium-sized players in the market, it is larger enterprises “which have the capacity to deliver at scale, where real diffusion happens.”

Bringing the private, academic, and public sectors together is a crucial component for making the most of R&D investment. However, these different sectors often also speak ‘different languages’, an issue which came up repeatedly during the discussion. Participants pointed to successful examples of co-location and cross-sector collaboration where these divides of priority have been overcome, including the effectiveness of a simple step like convening key people in consistent social activities so they can learn about each other's worlds: “when academics and industry sit together, they start speaking the same language. That's when real innovation happens.”

Regulation, often decried as a stifler of creativity, can also have the opposite effect, as several participants reflected. Well-designed regulation can drive innovation and support the process of

scaling it beyond the start-up phase, as demonstrated by past successes in environmental policy. Rather than simple overreach, regulatory inconsistency was identified as the barrier here: “We need regulators who actively engage with innovators,” one participant emphasised.

Several participants stressed the potential of mission-driven frameworks to focus efforts around national priorities like net zero and AI.

Building the case for public and politicians

Participants explored the challenge of building public and political support for research and innovation. Securing buy-in is critical to maintaining investment and fostering an environment where innovation can flourish and enjoy both mandate and legitimacy in the eyes of the public.

Participants were unanimous on the need to better articulate the benefits of research. “We're good at talking to each other but not to the public,” noted one contributor. Highlighting relatable examples—such as health improvements or local job creation—can make the case more compelling.

Transparency in funding decisions and outcomes is essential to maintaining public confidence. One participant reflected that “people need to see where the money is going and the tangible impact it's having.” But with frequent changes in ministerial leadership, ensuring consistency in research priorities can be challenging. Participants discussed the importance of embedding long-term strategies that transcend political cycles.

Career path diversity

Career path diversity was praised as one approach for acting across many of these areas of challenge – building mutual understanding

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of the 'systems' at play for policy around R&D, promoting a straightforward case for investment amid uncertainty, and helping to find routes for effective scale-up when something is working.

Simply by promoting and welcoming "career path diversity" among participants in the policy sphere – including people coming from or heading to scientific work and combining this engagement in the policy world – a lot of these cross-cutting projects "become easier".

Encouraging and rewarding those who accumulate diverse professional experiences would go a long way to breaking down culture barriers, encouraging system thinking and championing the ambition to scale beyond self imposed boundaries. But, as one participant noted, people who come from different perspectives will often have a "rocky landing" when traversing that sectoral divide as things stand.

Overall, the roundtable highlighted the interconnected nature of the UK's research and innovation ecosystem. Participants called for systemic thinking, stronger leadership, and clear communication to ensure that innovation delivers real-world impact.



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