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UK Innovation Support Ecosystem

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Outline

About Nesta

The UK and innovation

A snapshot of the UK's innovation support ecosystem

Looking to the future...

...with a big unknown!

Beyond Europe

What Kazakhstan can learn from the UK

About Nesta

Nesta operates across the globe and across sectors, working with others to turn good ideas into reality:

- **We see** – making sense of opportunities and challenges
- **We spark** – generating new ideas
- **We shape** – helping to test, grow and adapt promising solutions
- **We shift** – changing whole systems

The kinds of big challenges we tackle include ageing, stretched public services, a fast changing job market and people feeling disempowered.

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What we want to see –
Innovation policy that is better directed, more effective and taps the widest range of sources.

The UK is a global leader in science and innovation on many measures, but...

1.7%

The UK's investment in private and public R&D funding, as a percentage of its GDP.

2.4%

The OECD average

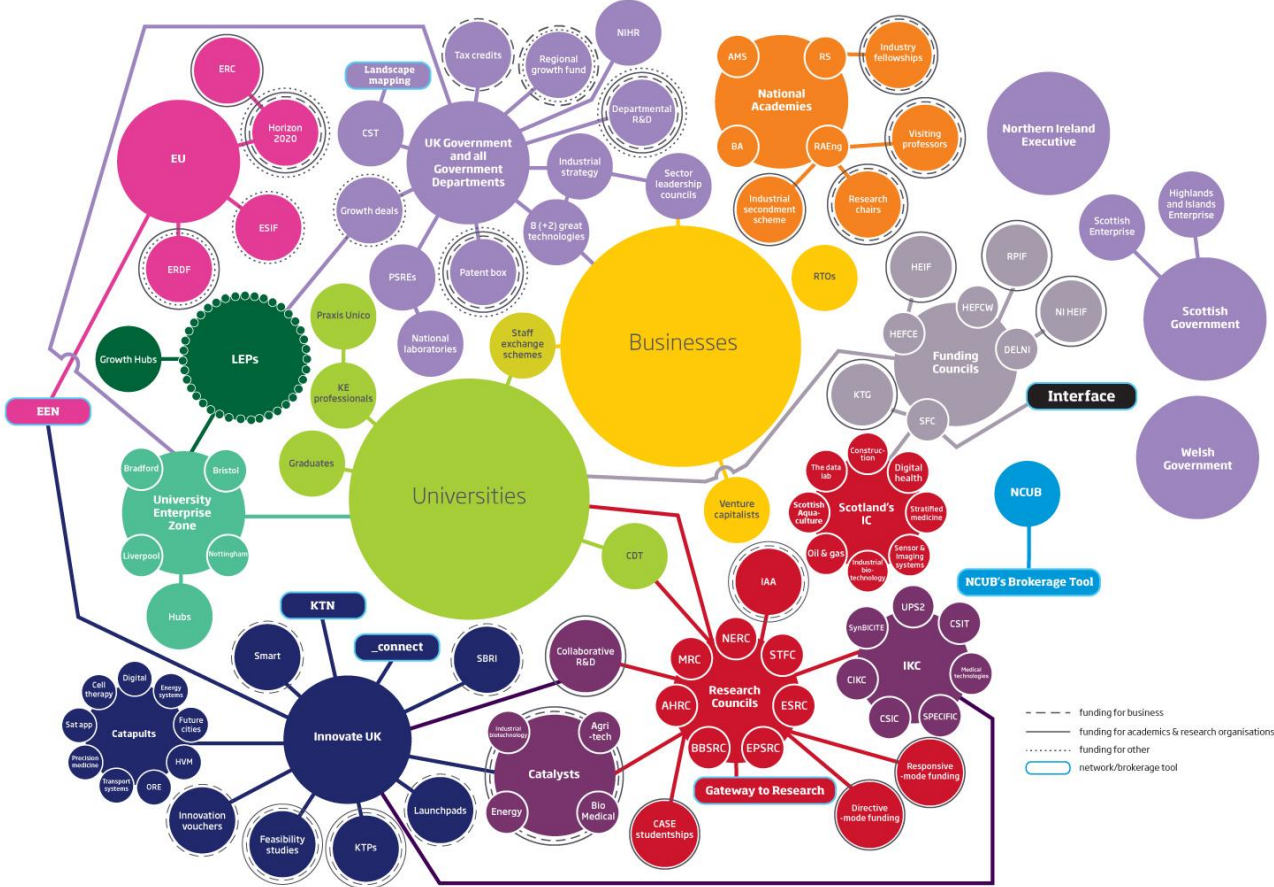
3%

The innovation leaders (South Korea, Israel, Japan, Scandinavia) average and EU28 goal for 2020

The UK has a great number of **world-class universities** but a lower number of **patent applications** and lower levels of **research commercialisation**.

- **30+** universities in the first 200 ranked by the THE World University Rankings but **0** in Reuters's top 10 best universities for innovation and commercialisation.
- **5,464** total patent grants in the UK in 2015 (vs. 14,795 in Germany).
- **142** university spin-offs (USOs) formed in the UK in 2014-15 (vs. 840 in the US).

A snapshot of the UK's innovation support ecosystem



A snapshot of the UK's innovation support ecosystem

	STRENGTHS	WEAKNESSES
ECOSYSTEM	<ul style="list-style-type: none">• Good framework conditions for innovation and a very vast array of programmes, funding streams and support mechanisms.	<ul style="list-style-type: none">• An ecosystem that is hard to understand and navigate for businesses, a barrier to engagement particularly for SMEs.• Difficult to take a systems view of available mechanisms, understand their effectiveness, or identify gaps in provision.
FUNDING	<ul style="list-style-type: none">• Good direct and indirect government financial support.	<ul style="list-style-type: none">• Less government effort to focus on businesses to increase tech transfers, e.g. through tax credits or procurement.• Lack of long-term finance
NETWORK	<ul style="list-style-type: none">• One of the best ranked countries for university-business interaction.	<ul style="list-style-type: none">• Regional disparities in the support given outside of the main clusters.

One of the UK's most significant schemes to support university business collaboration:

The logo for CATAPULT is written in a bold, orange, sans-serif font. The letters are thick and blocky, with a registered trademark symbol (®) at the end of the word.

To date, there are 11 catapult centres across the UK. Funded by public and private capital.

Physical centres where the very best of the UK's businesses, engineers and scientists work side by side on research and development, transforming high potential ideas into new products and services to generate economic growth.

Activities include:

- Facilitating access to data and examining new markets.
- Developing joint programmes or projects between research and businesses.
- Developing new skills.

Shifting the focus from London to other clusters around the UK:



Funded by public and private capital.

Launched in 2010 by PM David Cameron to support London's tech cluster, and now supporting cities and clusters all around the UK.

Its mission is to accelerate the growth of London and the UK's digital economy, through:

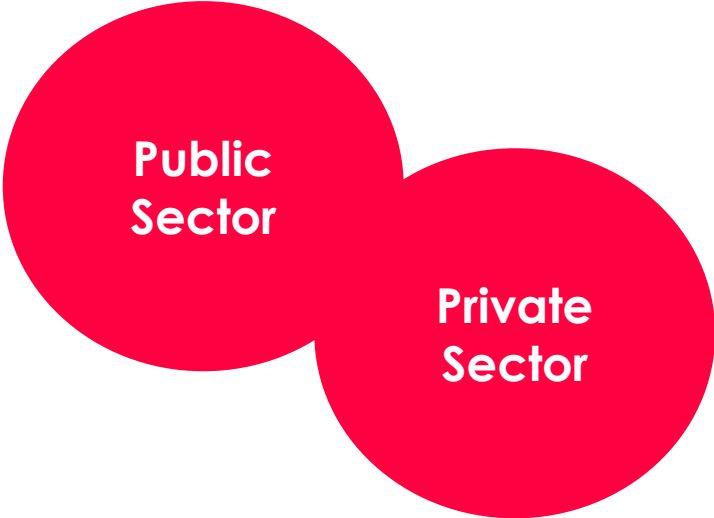
- Targeting programmes to fill market gaps.
- Engaging policymakers and help shape policies.
- Championing and connecting the digital sector regionally, nationally and internationally.

Non government programmes are important too!

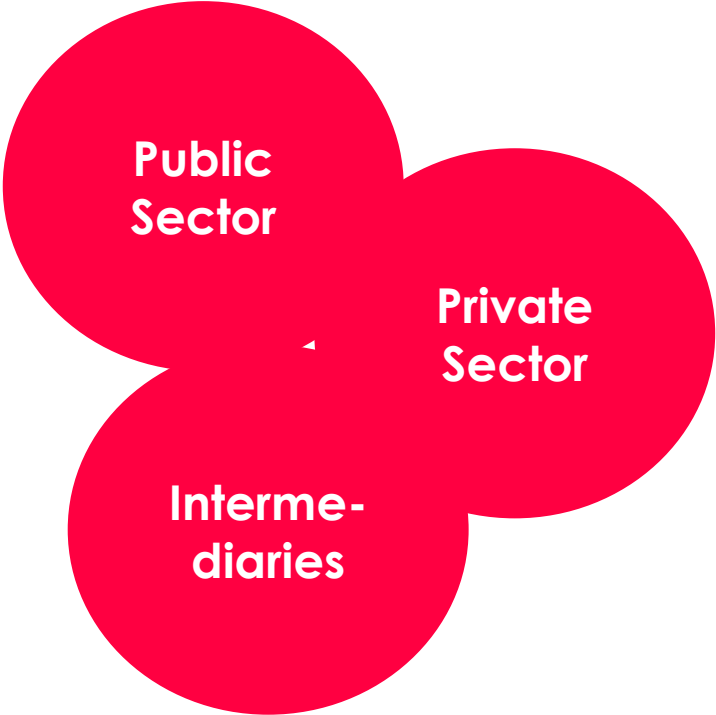


**Public
Sector**

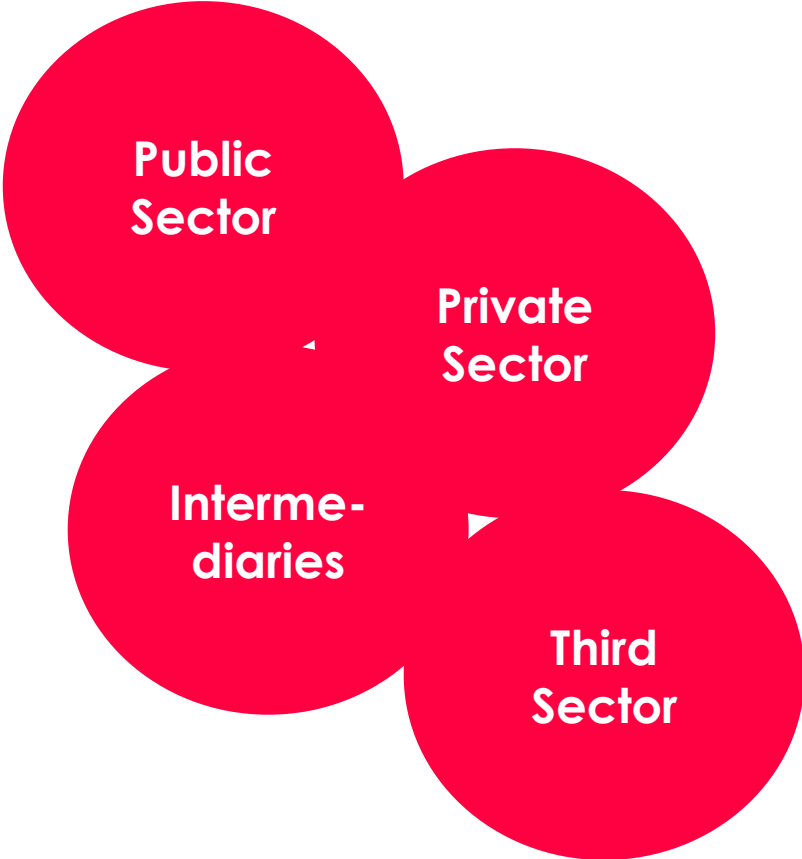
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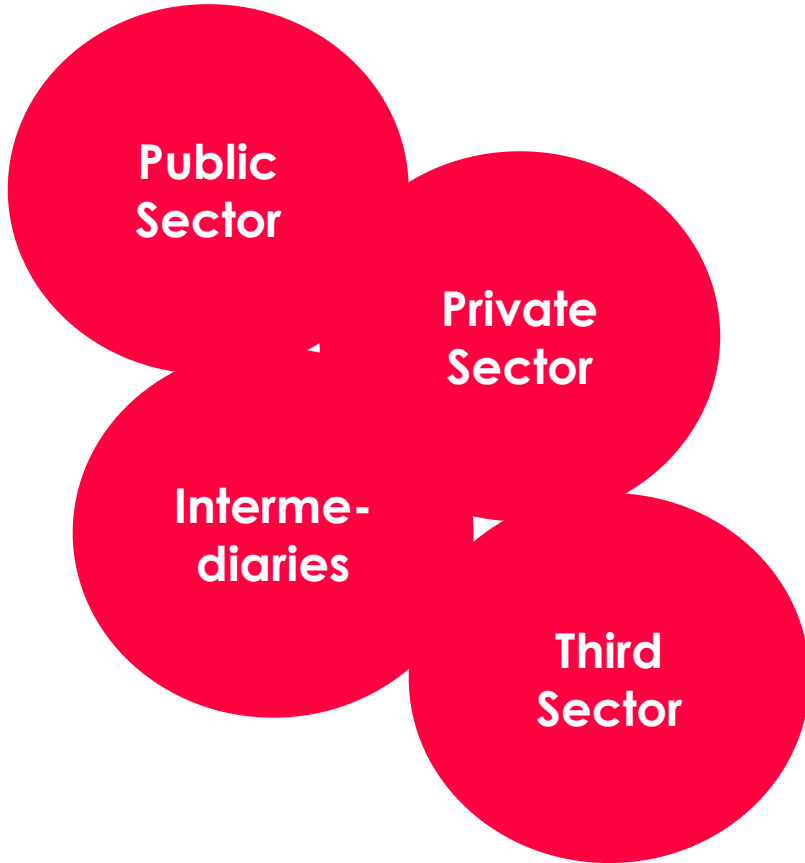
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SPOTLIGHT ON: incubators and accelerators

- **51%** of programmes receive funding from corporates, and growing rapidly

Location of:

- ▲ Accelerators
- ▼ Incubators



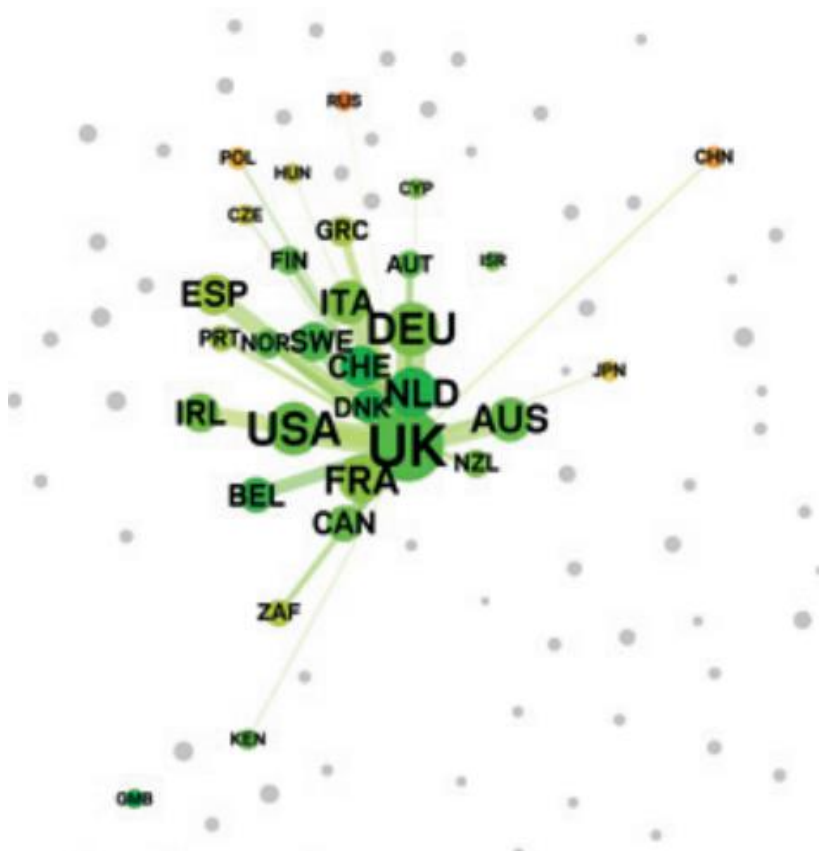
TRENDS

- An effort to simplify the system by merging Innovate UK and the Research Council into UKRI.
- A new industrial strategy and a new Industrial Strategy Challenge Fund.

RECOMMENDATIONS

- Work on user interfaces and signposting to improve the ease of navigating the system.
- Think more consistently about where there are gaps and try not to duplicate initiatives.
- Work on reducing regional disparities.

...with a big unknown!



BREXIT



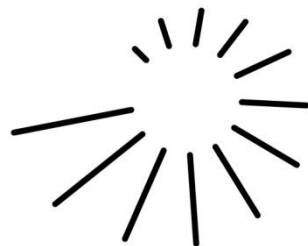
A noticeable internationalisation:



UK Science
& Innovation
Network

90 officers across 30 countries and territories, building partnerships and collaboration in science and innovation

Using science and innovation partnerships to promote economic development and social welfare in 16 partner countries (incl. Kazakhstan).



Global
**Innovation
Policy**
Accelerator

A collaborative, action-focused development programme for senior policymakers involved in the design and implementation of innovation policy.

Piloted in 2016-17 in Chile, Colombia, Mexico and Peru.
Expanding to other Newton countries.

- 1 Taking an ecosystem view, with a diversity of support sources and mechanisms.
- 2 Building partnerships is a great way to strengthen systems.
- 3 Reviewing and evaluating the efficiency of the support system and its components is very important.



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