**AIRTO welcomes Nurse Review recommendations to extend Research Council funding to Public Sector Research Establishments**

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**Nurse Review recommends extending eligibility for Research Council funding**

AIRTO, the Association for Innovation, Research and Technology Organisations, welcomes the recommendations of the recently published [*Review of the UK Research Councils by Sir Paul Nurse: Ensuring a successful UK research endeavour.*](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478125/BIS-15-625-ensuring-a-successful-UK-research-endeavour.pdf)

The Review recognises that “*... sometimes, following the principle that the best research should be funded wherever it is found, it is appropriate to support research in other not-for-profit institutions. Examples are Research Council Institutes but also include Charitable Research Institutes and Public Sector Research Establishments [PSREs].”*

It notes that Research Council funding should be considered for those “… *that have high level infrastructures shared by many researchers, that carry out research programmes or technology developments difficult to deliver in a conventional university environment, that have a focus on training and capacity building for the UK as a whole, and that promote links and collaborations between universities”.* The Review also emphasised that such a move should not be used to subsidise reductions elsewhere (for example within sponsoring Government Departments).

**Commenting on the publication of the Nurse Review, AIRTO President Professor Richard Brook OBE FREng, said:***“For some time, AIRTO has been highlighting the research excellence that resides in the UK’s PSREs and Research and Technology Organisations as an under-utilised asset. We are delighted that Sir Paul has recognised the potential to stimulate collaboration and generate high quality research outcomes by extending Research Council funding to this community. This makes huge sense and will benefit our innovation supply chains and the national economy. We stand ready to work with the Research Councils and the universities to implement the recommendations of the Review.”*

**Note to Editors**

Non-profit distributing RTOs and PSREs form a substantial part of the UK’s thriving Innovation, Research and Technology (IRT) sector, of which AIRTO represents approximately 80%. The IRT sector as a whole continues to punch well above its weight in the national economy, as shown by an independent study commissioned by AIRTO and carried out by Oxford Economics in 2014. The IRT sector:

* has tripled in size to £6.9Bn per annum since 2006
* consumes just 0.3% of Government spend
* displays productivity 45% higher than the national average
* generates a contribution of >£32bn to UK GDP (>2.3% of the total) and >£13Bn to UK tax revenue
* supports 140,100 jobs - equivalent total employment of Milton Keynes
* directly employs >57,000 highly skilled people, equal to total academic staff of the Russell Group, and considerably more than Germany’s Fraunhofers

The sustained growth of the IRT sector has the potential to significantly enhance UK productivity. Research suggests that every £1 spent in this area in recent years has generated, on average, £7 for the wider economy and that, more broadly, every £1 of public spending on R&D adds £4 to the value of market sector output.

[**Find out more from the Oxford Economics report**](http://www.airto.co.uk/wp-content/uploads/2015/08/airto_oxford_economics_2014.pdf)

Any future enhancement to the level of public resource directed to the IRT sector - such as Research Council funding - will therefore boost sector activity and catalyse significant returns for the wider UK economy. It would also contribute to increased international competitiveness of UK research and industry, improved ability to attract and train our desperately needed highly-skilled workforce, and, ultimately, improved quality of life.

[**Read AIRTO’s submission to the Nurse Review**](http://www.airto.co.uk/wp-content/uploads/2015/09/AIRTO_response_nurse_review_2015.pdf)

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