

AIRTO welcomes announcement of UKRI

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Keeping innovation at the heart of its mission is key to drive UK productivity and growth

AIRTO, the Association for Innovation, Research and Technology Organisations, welcomes the recently published [Higher Education and Research Bill](#), to enact the reforms in the white paper, [Success as a Knowledge Economy](#).

'Success as a Knowledge Economy' outlines how Government intends to take forward the implementation of the recommendations of Sir Paul Nurse's Review. AIRTO welcomed the recommendations of the Nurse Review in principle, especially the recommendation to extend Research Council funding to Public Sector Research Establishments. However, AIRTO recently urged the government to strongly consider how best to conserve the mission and identity of [Innovate UK in its recent response about proposed integration plans](#).

President of AIRTO, Professor Richard Brook OBE FREng said:

AIRTO welcomes the continuing role of Innovate UK as the government's innovation agency. We especially welcome the opportunity to work closely with both John Kingman, in his new role as Chair of UKRI, and Ruth McKernan, CEO of Innovate UK to continue to champion the role of the valuable network of Innovation, Research & Technology organisations in stimulating the UK economy. Keeping innovation at the heart of UKRI's mission is going to be vital to drive UK productivity and growth.

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](#)

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](#)

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