



Innovate
UK



Executive summary



Building the future economy

Plan for action for UK business innovation

inspire | involve | invest

2021–2025



Our 12 commitments to innovating UK businesses

- 1** We will inspire, involve, and invest in innovation
- 2** We will focus on opportunities for the future economy
- 3** We will support businesses to grow rapidly
- 4** We will help businesses to succeed on the international stage
- 5** We will make it easier to gain innovation support
- 6** We will help government use its power to support innovation
- 7** We will help UK businesses benefit from the excellent research base
- 8** We will help businesses make better use of design
- 9** We will use responsible innovation to take account of wider societal impacts
- 10** We will help businesses enhance the capability of their people
- 11** We will be inclusive and fair, and bring in under-represented groups
- 12** We will help build local strengths and help businesses benefit from them



Indro Mukerjee, *Chief Executive Officer, Innovate UK*

Executive summary

Business innovation is the commercially successful application of ideas. It leads to new or improved products, processes, services, and business models based on new ideas and technologies.

The UK is a great place to innovate and do business. It is home to world-leading scientists and to world-class businesses in sectors including aerospace, automotive, health, infrastructure and construction, manufacturing, agriculture and food, design and creative industries, high value services, and in the enabling and emerging technologies. In the Innovation Strategy, the UK government stated its commitment to increase direct public expenditure on R&D to £22 billion per year. We must ensure that the environment is right for the country to achieve this and for UK businesses to capitalise on the opportunities.

This plan for action has been developed using the considerable experience of the Innovate UK team and after consulting with partners and leading players in the UK innovation ecosystem. We will work with partners to turn the principles outlined into delivery programmes.

It builds on our successful approach of drawing in significant business investment in innovation. It sets out new directions including a longer-term perspective on how a future net zero economy will look in 2050, taking a theme-based rather than a sector-based approach, an increased emphasis on growing innovative businesses and on global opportunities, and a greater emphasis on the strengths and values that underpin successful innovation.

Our approach

This document articulates the part Innovate UK will play, with partners, to help deliver the UK Government's innovation strategy.

The UK Government's vision

The Government's vision is for the UK to be a global hub for innovation by 2035.

Our mission

We will help businesses to grow through their development and commercialisation of new products, processes, and services, supported by an outstanding innovation ecosystem that is agile, inclusive, and easy to navigate.

Our approach is built on five strategic themes – future economy; growth at scale; global opportunities; innovation ecosystem; and government levers – and a set of strong foundations that underpin all our activities.

To deliver this we will:

- **inspire:** make the opportunity visible and compelling
- **involve:** bring relevant organisations and people together
- **invest:** convene the resources needed, including our own.

Theme 1: Future economy

Improving the quality of life for all, protecting the environment and conserving Earth's resources mean the future economy will look different from today's. We will focus on the major opportunities we see for UK businesses in the following areas:

- net zero (zero carbon emissions and tackling wider adverse environmental impacts)
- health and wellbeing (sustaining healthy human life, including nutrition and healthcare)
- technologies (creating and benefiting from advances in technology)
- horizon scanning and foresight (continually looking ahead).

Success in these areas will make the UK more attractive for global innovation, deliver better products and services and economic growth, and improve health and wellbeing.

We will focus on opportunities for the future economy.

Theme 2: Growth at scale

Growing, innovating businesses are key to a strong, sustainable, and competitive UK economy. We will increase our efforts to support businesses that are scaling and help companies of all sizes to grow rather than focus our efforts solely on their projects or novel products.

We want to see more businesses accessing markets and the global supply chains of the future, and more businesses with the leadership, skills and commercial capabilities to scale up and to attract investment.

We will support more business-led collaborations that give smaller businesses access to global opportunities and offer more guidance on growing and scaling, and we will build on our programmes to increase the availability of private finance to innovative, high-growth-potential businesses.

We will support innovating businesses to grow rapidly.

Theme 3: Global opportunities

We see large opportunities for UK companies to build on our research and innovation strengths by collaborating with overseas partners, helping build the global supply chains of the future, accessing markets and attracting inward investment.

We should be an innovation partner of choice for the many overseas businesses and organisations that are also aiming to meet global challenges.

Our work will help businesses to access international innovation opportunities, to play a role in tackling global challenges and to take advantage of government support for international innovation, trade and investment. We will also help to build deep and enduring partnerships with key countries and play an active role in global innovation groupings, including EUREKA and TAFTIE.

We will help innovating businesses to succeed on the international stage.



Theme 4: Innovation ecosystem

The innovation ecosystem is made up of many actors, from public agencies to businesses, academia, infrastructure, charities, and the regulatory environment.

We want to see increased responsiveness, agility, and co-ordination to support innovating businesses from idea through to commercialisation, adoption, and diffusion.

We will look at how partners in the ecosystem can work better, design better programmes and better help businesses to access more easily and seamlessly the knowledge, facilities and equipment they need to succeed. We will also work to inspire a national culture of innovation and make the UK a more attractive place for global partners to innovate.

We will make it easier to gain innovation support.

Theme 5: Government levers

Government can use many levers to stimulate innovation, including legislation, regulation, standards, intellectual property regimes, and public procurement.

We will help government to use standards and regulations to accelerate innovation and help businesses to influence their development at home and abroad. We will continue to help the public sector procure innovative solutions to their challenges from businesses and run managed programmes for government departments and agencies.

Our support will include helping UK businesses to be better at protecting their intellectual property and gain the advice they need.

We will help government use its power to support innovation.



Strong foundations

The strong foundations underpin our activities and programmes and are fundamental to successful business innovation. They include values proven to impact business success, such as responsible innovation and equality, diversity, and inclusion. And they include the importance of place and building on local strengths.

We will build on our support for knowledge exchange and the commercialisation of successful research, help researchers to better evaluate the commercial potential of their work, and support businesses to develop leadership skills and access talent. We will support more businesses to use design effectively at an early stage of their activities.

We will ensure that values proven to impact business success are used to guide our programme design and funding decisions, and that the importance of these values to success is also well understood by the businesses we work with.

We will help UK businesses to benefit from the excellent research base.

We will help innovating businesses make better use of design.

We will use responsible innovation to take account of wider societal impacts.

We will help innovative businesses enhance the capability of their people.

We will be inclusive and fair, and bring in under-represented groups.

We will help build local strengths and help companies benefit from them.

Our partners

Organisations are more successful when they work in teams. In delivering our programmes, we will work in collaboration with our partners, including Department for Business, Energy and Industrial Strategy (BEIS), British Business Bank (BBB), British Standards Institution (BSI), Defence and Security Accelerator (DASA), Department for International Trade (DIT), the Defence Science and Technology Laboratory (DSTL), Intellectual Property Office (IPO), National Physical Laboratory and the wider National Measurement System, wider UK Research and Innovation, and associated bodies.

Appraisal and evaluation

We will use our four established criteria to prioritise our resources, taking account of:

1. the size of the opportunity – the size of the accessible global market
2. the relative strength of UK capabilities, in both industry and academia – compared to other territories
3. whether it is the right time for business to act
4. added-value – whether the case for public sector intervention is strong, including consideration of the wider environmental and societal impacts.

We will set out a clear framework to measure our progress, and commission independent rigorous evaluation of our impact.

We are making the UK
a global innovation hub.



Five themes



Future
economy



Growth
at scale



Global
opportunities



Innovation
ecosystem



Government
levers



Science and
research
strengths



Design



Societal impact
and responsible
innovation



Innovation
talent and
skills



Equality,
diversity and
inclusion



Place and
levelling up

Strong foundations



Accessibility

To request copies of this report in large print or in a different format, please contact the Equality, Diversity and Inclusion team at UKRI:

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Innovate UK drives productivity and economic growth by supporting businesses to develop and realise the potential of new ideas.

We connect businesses to the partners, customers and investors that can help them turn ideas into commercially successful products and services and business growth.

We fund business and research collaborations to accelerate innovation and drive business investment into R&D. Our support is available to businesses across all economic sectors, value chains and UK regions.

Innovate UK is part of UK Research and Innovation.
For more information visit innovateuk.ukri.org

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