

Meeting of FTSE 100 Companies with Andrew McCosh, Deputy National Technology Adviser, 26 January 2022

On 26 January, the Foundation for Science and Technology convened an online discussion for Chairs and Chief Executives of FTSE 100 companies with Andrew McCosh, Deputy National Technology Advisor, to discuss government technology priorities and some of the new structures and priorities.

Andrew McCosh gave a brief introduction:

- The Prime Minister has recently established National Science and Technology Council (NSTC), with Patrick Vallance appointed as National Technology Adviser and Andrew McCosh as Deputy NTA and Head of the new Office for Science and Technology Strategy (OSTS).
- The NSTC has met once and identified 4 initial goals: Net Zero in a sustainable environment; health and life sciences; national security and defence including space; and a digital and data driven economy
- The aim is to turn the excellent UK science base into great British companies that are getting into global supply chains, solving the biggest challenges, and retaining a lot of value in the UK. This involves a partnership between government, academia, and business to align an entire ecosystem more effectively and more efficiently.
- The UK has a strong innovation ecosystem, more than 100 start-up unicorns, and venture capital in the UK has increased 10-fold in the last 10 years. But 63% of that investment comes from overseas. Not too much of the long-term value from the investment should leave the UK. There is a particular need for scale up capital.
- As the Government increases public spending in R&D, it wants to leverage private investment. We also need to ensure the UK has the right skills – via education and via attracting the best talent from overseas.

The following points were made in the subsequent discussion:

- Additive manufacturing (3D printing) and advanced materials are areas where the UK could be a global leader.
- Digital skills are a huge issue. This is both high-tech digital skills, but also average digital skills across the whole workforce.
- The R&D landscape needs to become more agile (less administratively burdensome for companies).
- Cybersecurity is critical for UK businesses.

- We need a sovereign owned national digital infrastructure, linked with the broader pieces about data science, digital skills, and availability to enterprises across the UK.
- The Government is establishing a science, technology and insights function within the Government Office for Science. It will try and create a regular, accurate objective net assessment of the UK relative strengths and weaknesses, in particular technology ecosystems. This will feed into decisions made by the NSTC.
- The government can articulate better demand signals (e.g. via procurement, smart regulation, investment).
- ARIA (the Advanced Research and Invention Agency) is one part of the wider ecosystem in which government, academia and business can partner to do very high risk, potentially very high value experiments. It will see what is emerging from NSTC but take its own decisions.
- The new National Science and Technology Council (NSTC) is different from the existing Council for Science and Technology (CST). The NSTC is a Cabinet Committee with executive responsibility. The CST is an advisory body.
- Simplifying the mechanisms within the UK S&I system would be very helpful.
- Major global supply chains are not being scaled up from UK companies, despite our strong background in, for example, biotechnology.
- It's important to build technologies and solutions to deliver against real needs and real problems for consumers.
- The network and layers of regulation in the UK can be a minefield and “creates the worst competitive landscape of any major economy”. Digital healthcare has huge potential, if the UK can sort out the right protections about personal data.
- We need to consider regional disparities across the UK, otherwise this initiative could make such disparities worse.
- Global capital is lined up to help with transition to Net Zero, but the regulatory backdrop must be focussed on transition (rather than on exclusions).
- UK Research and Innovation (UKRI) can achieve greater simplification, and more cross discipline work. UKRI needs to get technologies to a point where market pull starts to begin.

Andrew McCosh concluded that he would like to continue the conversation with attendees, and encouraged them to email him directly.