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Dr. Patrick Vallance and Professor Dame Nancy Rothwell Council for Science and Technology 1 Victoria Street London SW1H OET

12 October 2018

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Thank you for your letter of 27 September to the Prime Minister on the governance of technological innovation in the UK. I have been asked to respond in light of my Department's policy responsibilities across this area.

The Government's Industrial Strategy sets out our vision for the UK to be the world's most innovative economy. Powered by new technologies, products, services and business models, we can drive improvements in the UK's productivity. Your letter provides a compelling summary of the steps that we must take to adapt our regulatory approach to make the UK the best place for innovators to bring their ideas to market.

From artificial intelligence to biotechnologies, our regulators must be at the cutting edge of developments in science and technology that will change the sectors they regulate. While some regulators (such as the Human Fertilisation and Embryology Authority) already include independent horizon-scanning panels, there is further that we can go. I have asked UK Research and Innovation and the Government Office for Science to collaborate with the Better Regulation Executive to establish a strategic horizon-scanning function that will support and challenge regulators to keep pace.

Our regulators must also be open to experimentation. I was pleased to announce last week that our Regulators' Pioneer Fund is investing in a range of initiatives to support innovations from robolawyers to flying taxis to come to market, building on the groundbreaking testbeds and sandboxes that UK regulators have introduced. I am keen to see these practices rolled out more widely and have established a Regulators' Innovation Network to drive this forward.

As you note, innovation does not fit around neat regulatory boundaries or processes. Our regulators must collaborate to provide joined-up, timely regulatory advice to innovators that gives them and their investors confidence to bring their ideas to market, building on examples such as the 'one-stop-shop' that the Medicines and Healthcare Products Regulatory Agency has developed with other life sciences regulators. I have asked the Better Regulation Executive to develop recommendations on how this 'onestop-shop' concept should be introduced more widely. Our regulators must also be joined-up with the broader landscape of industry codes, standards and guidance that shapes the development of innovation. I have asked the Better Regulation Executive to work with the newly-established Office for Product Safety and Standards and bodies such as the British Standards Institution and the National Physical Laboratory to examine how regulation, standards and related tools should be designed to best enable innovation.

I would like to invite you to present the Council's findings to the Ministerial Working Group on Future Regulation that I have established, to create the regulatory environment for innovative industries to thrive in the UK. This group – on which Dr. Patrick Vallance already sits as Government Chief Scientific Advisor – will oversee the implementation of the Council's conclusions. I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and members of the Ministerial Working Group.

Thank you once again for your letter on this important subject.

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THE RT HON GREG CLARK MP Secretary of State for Business, Energy & Industrial Strategy