COUNCIL FOR SCIENCE & TECHNOLOGY

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Prime Minister
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Sent by email only

6 October 2026

Dear Prime Minister

Research and Innovation Devolution

The UK's Research and Development (R&D) ecosystem drives economic growth and improves people's lives across the country, from semiconductors in South Wales to offshore energy in the North-East.

Much R&D funding is already devolved including through university block grants, which has helped build successful clusters around the country, such as advanced manufacturing in the West Midlands and life sciences in Liverpool. Further devolution of appropriate R&D funding and decision-making could deliver more inclusive growth across the UK: bringing higher productivity and growth; private investment in high-potential clusters; good jobs and stronger skills; and better public services.

Devolution decisions must also consider the national system. National leadership will remain critical, particularly for discovery research and some strategically important fields (e.g., AI and photonics). Strong partnerships at local, regional and national levels will need to be built. This will require clear roles, appropriate support and capability building to avoid risk of fragmentation and duplication.

We offer the following recommendations to guide decision-making:

Recommendation 1: If devolved R&D funding is not ringfenced, there is a substantial risk that funds will be diverted to urgent operational needs. R&D funds should be devolved with the explicit expectation that Strategic Combined Authorities (SCAs) align complementary local funding for skills, transport, planning and business support alongside it.

Ringfencing devolved R&D funding is needed to maintain overall R&D investment in the UK and counteract pressures on SCAs to divert funding to short-term priorities. Ringfencing is applied to many R&D budgets in central government for the same reason.

Careful consideration is also needed on the amount of devolved funding, and the timing of changes. There are already major pressures on the UK's R&D system that need to be accounted for when designing a more devolved model. This includes current financial pressures on universities and tensions with longer-term commitments such as association to the European Union's 10th Framework Programme for Research and Innovation.

Recommendation 2: Prioritise devolution of some late-stage R&D funding and ensure discovery research remains nationally led. Excellence should not be sacrificed for local control.

It is important to recognise that research and innovation in the UK takes place in a highly competitive global ecosystem. National capabilities must be protected in strategically important and capital-intensive fields (such as AI, photonics and quantum technologies) where the UK benefits from concentrating expertise, infrastructure and investment in national centres of excellence. Examples of this include funding for national institutes and programmes (e.g., UK BioBank); cross-regional R&D consortia (e.g., multinational aerospace supply chains); and unique national-scale facilities (e.g., Diamond Light Source).

Discovery research must remain nationally led, with funding allocated based on excellence, as assessed by experts who themselves are at the frontier of their disciplines. This is critical to ensuring UK research continues to be world class. There should be greater information sharing on discovery research activities across all regions so R&D at the local level can access knowledge about excellent research wherever it is found in the UK.

Government should prioritise devolution of some late-stage R&D in places with the capacity, skills and infrastructure to translate invention into commercial activity and local jobs. The aims should be to increase private sector R&D investment, to support the diffusion of innovation, and to build innovation capability in support of high productivity clusters in SCAs. Examples of R&D functions suitable for devolution include university knowledge exchange and commercialisation; early-stage business R&D grants and start-up ecosystem support; and small-scale innovation infrastructure (e.g. shared lab space). Late-stage innovation funding at the national level should be retained to invest in sovereign technology capabilities; emerging technologies; national capabilities such as Catapults; and cross-regional supply chains, e.g. aerospace manufacturing.

Recommendation 3: Allocate devolved R&D funding where there is the strongest evidence of excellence, innovation potential, and long-term impact.

Prioritising support for existing and emerging innovation clusters with the highest potential to grow and become world-leading will help to attract private investment. Partnership working with local government, industry and higher education partners will deliver evidence around potential for growth alongside evidence from existing data sets. Investment in R&D cannot and should not be spread evenly across the country. This would be inefficient and unsuccessful. Geographic concentration of research and innovation is seen in all successful R&D systems including the US, Japan and South Korea.

Recommendation 4: Ensure strong alignment between the national R&I strategy and SCAs strategies to avoid risk of duplication across the UK.

Without a clear national framework, there is a risk of duplication across the UK. There is a risk that local authorities will each establish similar initiatives in areas they feel are important for their place's needs, resulting in a dilution of impact and funding when looking at the system at a national level. Experience from the Regional Development Agencies illustrates this risk clearly: multiple regions invested in similar technologies and facilities in pursuit of the same ambitions, creating duplication rather than complementary national capability. Strong alignment between national R&I strategy and Combined Authorities' strategies, as well as partnership between national and local agencies will be crucial in mitigating this risk.

Collaborative R&D funding mechanisms should also be used to foster partnerships between regions. This includes incentivising collaboration between highly productive areas with those that are less productive to enable sharing of best practice, talent and facilities where appropriate.

Recommendation 5: Avoid devolving funding faster than there is capacity to deliver. Local capability matters as much as local control.

Allocating R&D funding well is hard, and there is a real risk that devolving too much, too fast will leave funding unspent or wasted**.** Successful devolution depends on local capability, including leadership, governance, evidence, skills, infrastructure, absorptive capacity, programme management and decision-making expertise. There is currently variation of capability across SCAs that will need to be reflected in any devolution model.

Government should ensure SCAs are supported to build stronger analytical capability, peer review processes and institutional capacity alongside more devolved funding. This is particularly important for relatively newly established SCAs.

A condition of R&D devolution should be that SCAs should develop robust 'triple helix' governance arrangements, that operate to common national standards for peer review, assurance, evaluation and performance management. That does not mean that the same decisions are made everywhere, but it will ensure that rigorous standards of evaluation endure.

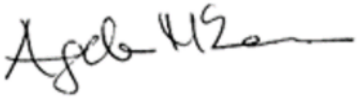
With the right balance of national leadership and local decision-making, research and innovation can become an even stronger engine of growth in every part of the country. This will require the UK government and devolved governments to work closely with local and regional partners, universities and business as part of a coherent national system.

Given the role of the Council, we would be happy to provide further advice and convene across the R&D community as you develop policy proposals.

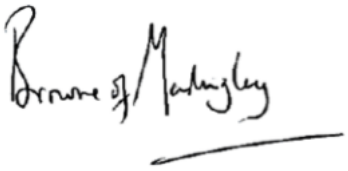
We are grateful to Council members for developing this advice, in particular, Professor Jim Hall, Professor Sarah Sharples, Professor Dame Lynn Gladden, Professor Dame Julia Black and Sir Paul Nurse.

This letter is copied to the Chancellor of the Exchequer; Secretary of State for Business, Innovation, Science and Trade; the Secretary of State for Education; the Chancellor of the Duchy of Lancaster; the Minister for Science, Innovation and Investment; and the Cabinet Secretary.

Yours sincerely,



Professor Dame Angela McLean
Co-chair



Lord Browne of Madingley
Co-chair