

# **Economy, Trade and Rural Affairs Committee: one-day inquiry into research and innovation**

Universities Wales supplementary evidence

## Relationship with industry

**Are there good university to business relationships across Wales or are there regional differences, for example is there better collaboration in the south-east of Wales where there are a number of clusters?**

- There will be good business relationships across Wales but the size, scope and nature of these relationships will reflect the diversity of the business population.
- Clusters exist across Wales including [AberInnovation](#) in Aberystwyth and [MSparc](#) in Bangor, but beyond science parks there are a spectrum of ways in which businesses and universities interact and collaborate, from providing CPD (an estimated 315,000 learner days will have been provided throughout the 2023/24 academic year) to research and innovation partnerships developing new products and services.
- Examples of approaches that span different regions or levels of rurality include the [KESS](#) project which worked with all types of businesses from SMEs through to larger operations, and the [ASTUTE](#) programme provides resources, facilities and advice to the Welsh manufacturing sector to stimulate ideas and embed sustainable technologies.

## Welsh Government's strategies

**What's your overall view on Welsh Government's Innovation Strategy and the recently published Delivery Plan? Are there any obvious gaps or changes that you would like to see?**

**Does the Innovation Strategy and Delivery Plan provide a sufficient framework for universities and industry choosing where to conduct research and innovation?**

- The Innovation Strategy provides a useful overview of issues, challenges and approaches. Smart Innovation funding is welcome, but without significant wider investment it cannot provide a sufficient framework to inform where universities and industries target resources. WIN worked with Welsh Government's innovation team to identify key university innovation challenges and WIN is structuring its work around these challenges. The

strategy does contain a number of challenges from across different sectors, therefore, it will encompass a broad range of work.

- In terms of choosing areas of research to undertaken, researcher-led basic research is a key element in ensuring Wales is internationally competitive, and that we are able to support the full research pipeline. Basic research gives rise to applied research and innovation, but the capacity to do basic research must be there.
- It should also be noted that in order to obtain funding from funders, such as UKRI, researchers and innovators will need to be guided by the funders' strategies. In order to secure project funding from outside Wales, the Welsh Government's Innovation Strategy is not the only strategy researchers may need to respond to.
- Ultimately, to be successful, we need to be able to draw down UK and European funding.

**What is the main recommendation you would like to see us make to the Welsh Governments or at a UK level?**

- For Welsh Government, we would want to reiterate that core funding for research and innovation is vital in enabling Welsh universities to increase the capture of research and innovation funding.
- For UK Government, we would recommend that the principles, structure and method of Shared Prosperity funding be revisited.

*\*For Universities Wales only – I believe you advised that you carried out some economic impact work which looked across all Welsh regions down to sub-regional level which showed that Universities have impact even if not located in that area, and agreed to write to the Committee to provide further detail?*

- Our report on [economic impact of higher education in Wales](#), published in 2021, demonstrates that universities contribute £5bn to the Welsh economy annually, and the economic benefit is felt across Wales, even in areas without a physical university presence. 20% of the Welsh Gross Value Added generated by universities is in parts of Wales without a university presence. Similarly, 22% of the jobs generated are in parts of Wales with no university presence.

Universities Wales  
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