

COUNCIL FOR NATURE CONSERVATION AND THE COUNTRYSIDE

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11 February 2010

Wayne Morrison
Research Policy Branch
Department of Agriculture and Rural Development
Dundonald House
Upper Newtownards Road
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Dear Mr Morrison

Addendum to CNCC letter of 9 February DARD Evidence and Innovation Strategy 2009-13

Overall, CNCC welcome the initiative. The government has an important role to play in promoting and stimulating innovation, and CNCC see considerable socio-economic and environmental benefits in doing so in rural areas, as well as in the major conurbations. This assumes, of course, that the innovations relate to activities that are or will be environmentally beneficial, or at least neutral. Indeed, to ensure this is so, CNCC would recommend that at least one member of the advisory/project selection panel should have broad experience of environmental matters, and preferably that the panel would consult appropriate environmental experts as and when it felt it necessary.

CNCC are very concerned by the proposal to limit the RCF scheme to projects that involve one or more industry partners working with a research partner. Plenty of good R&D and commercial innovation is and will continue to be carried out by entrepreneurs, SMEs and larger companies without the need to involve a research partner such as a university or contract research organisation. (For example, the Ballydougan Pottery, situated in a rural area a few miles from Lurgan, is a good illustration of how an individual with a good idea and determination can create a commercial success that is both good for the local economy and in keeping with the rural environment - without involving universities or outside researchers. Other examples include Norah Watson, a jewellery maker and designer operating in a rural community near Portaferry, and Mourne Mountain Brewery near Analog.)

Moreover, many of the most promising proposed projects will be commercially sensitive, and an entrepreneur or established company may not wish to risk involving an external research partner. Also, it is frequently the case that former academics and employees of research organisations leave to establish their own research-based ventures, in which case such newly-created ventures would often contain all the research capability they need, at the outset at least. It is perhaps more likely that they would need a partner or mentor with business or financial experience, and Invest NI already has schemes to help provide start-ups and SMEs with mentors, interim managers and non-executive directors that would nicely complement the proposed RCF scheme.

Cont'd.

With the proposals as they stand, it seems to CNCC that there is a danger that the RCF may be used as a mechanism to help universities and research organisations attract funding, rather than to help encourage entrepreneurs and companies with proposed new initiatives. Many researchers in universities and research organisations nowadays genuinely understand and have good track records in supporting entrepreneurial and commercial objectives. Unfortunately, there are others who manage to attract funding intended for commercially focused projects, but who rarely or never deliver timely and commercially applicable results. For this reason, it is imperative that RCF proposals are initiated and largely shaped by companies or entrepreneurs responsible for achieving the commercial benefits. It would also help if several members of the advisory/selection panel had 'hands-on' experience of starting and growing commercial ventures.

Another question CNCC would have relates to speed of response. For many entrepreneurial initiatives, timing and speed of response are crucially important. New ventures often have to move very quickly to establish themselves and respond to the needs of the market place. A common criticism of research and innovation support schemes is that they are too slow and cumbersome, both at the setting up stage and in how they are operated. If the RCF is to be effective, its management and administration needs to be thought through and streamlined before it 'opens for business', and preferably before it is even announced. Otherwise there is the danger of stimulating interest and proposals prematurely, which leads to unnecessary frustration and commercial difficulties among the entrepreneurs and SMEs that the scheme is designed to assist.

One of the common causes of delays in managing and administering government schemes such as the proposed RDF arises as a result of uncertainties over the boundaries, and how they interface, with other closely related schemes. The RCF draft proposal document already correctly acknowledges that the RCF scheme would sit alongside Invest NI's R&D Project Scheme. So it is important that there is complete clarity and transparency about the criteria that will be used to determine whether a proposal should be directed to one scheme or the other. If there are any 'grey areas' remaining, there needs to be a mechanism agreed and established between DARD and InvestNI for guiding proposers of projects to one of the schemes at an early stage in the proposal preparation. Again, the criteria and mechanism should be agreed *before* the RCF scheme 'opens for business'.

CNCC would emphasise that overall the draft proposals are very much to be welcomed, but CNCC think they still need some more work before they become firm proposals.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Patrick Casement', written over a horizontal line.

PATRICK CASEMENT
CHAIRMAN