

# Press release: New national innovation centre to put UK at forefront of big data

- £15m Government investment in centre will be matched by £15m from Newcastle University
- UK economy will benefit from big data with potential growth of up to £241 billion
- Key part of Government's aim to make Britain best place to start and grow a digital business

The National Centre, whose funding has today been confirmed by Minister for Digital Matt Hancock, aims to link up leading academic talent in universities with industry and the public sector to help them develop the skills they need to solve real world problems using advances in data science.

This forms part of the Government's Digital Strategy which set out plans to boost the nation's digital skills, infrastructure and innovation, including measures to support Britain's world-leading artificial intelligence (AI) sector with an industry-led review.

The NICD will create a pipeline of talent to power the ground-breaking businesses of tomorrow and is further progress in the Government's Industrial Strategy which aims to create an economy that helps Britain secure a future as a competitive, global nation. Based in Newcastle, the centre builds on the strengths of great institutions in the Northern Powerhouse and forms an integral part of the Government's approach.

Speaking at Nesta's Data Skills For The Future conference today, Minister for Digital Matt Hancock said:

We're determined to unlock the huge potential of big data which could add billions of pounds to our economy – from powering price comparison sites to improving the flow of transport around cities.

Our new National Innovation Centre for Data will help us achieve this aim by making sure the skills and talent in our universities is being transferred into industry and the public sector.

It will not only spark innovation among the next generation of tech experts but also help businesses across the whole country capitalise on the immense value of data.

Data science provides real benefits to everyday life. For example, it powers internet searches and apps, can predict and help treat health issues, and is behind new technology for maintaining cars and other machinery, allowing people to benefit from intelligent household appliances.

According to independent research, companies using data science are 10 per cent more productive on average than those that do not, and companies that exploit data can reduce costs, innovate and develop new goods and services faster than those that do not and make faster and better decisions.

Studies by Nesta, the innovation foundation, show UK firms who use data most effectively are 40 per cent more likely to launch new products and services ahead of their competitors.

The centre will have a programme of projects where academics and industry can share and develop their data skills to solve challenges – for example, industry wanting advice on how to develop the data analysis skills to predict when a machine may stop working to prevent costly breakdowns.

The £15m funding from Government, which is managed through the Engineering and Physical Sciences Research Council (EPSRC), will be matched by £15m from Newcastle University and will also help supply the next generation of skilled and educated researchers.

Newcastle has one of the largest and fastest growing digital clusters in the country with multi-national companies including Sage – the UK's largest software company – Hewlett Packard and Accenture, as well as significant public sector IT facilities, including the HMRC Digital Delivery Centre, and major commercial data centres.

Newcastle University has a core group of specialists who have expertise in working closely with a wide range of industrial organisations through its Cloud Innovation Centre, and it also hosts the EPSRC Centre for Doctoral Training in Cloud Computing for Big Data Analytics at Newcastle University.

Professor Nick Wright, PVC Innovation and Business, Newcastle University, said:

NICD will help to address the data skills gap by taking a practical hands-on approach. We will work with organisations on their domain related problems, transferring the skills into the organisation that will enable them to innovate through data.

## **Notes to editors:**

1. Media enquiries – accredited journalists only: DCMS News and Communications team – 020 7211 2210.
2. Public enquiries: DCMS enquiries team on 020 7211 6000 or [enquiries@culture.gov.uk](mailto:enquiries@culture.gov.uk).
3. By providing world-class facilities and services under one roof, the NICD building will act as a 'beacon' for Data Innovation. It will

accelerate innovation by delivering key technical and practical data skills into organisations, enabling them to improve their competitiveness and grow their business. Its activities will deliver economic growth and enable the UK to become a global leader in innovation through data.

4. A 2016 report by SAS estimated that from 2015 to 2020 the total benefit to the UK economy of big data analytics amounts to £241 billion, or £40 billion on average per year.
5. Nesta's Data Skills For The Future conference also saw a new briefing by the Data Skills Taskforce setting out the benefits of using data and plans to boost the nation's data skills.
6. Sources: Nesta, Rise of the Datavores (2012), Nesta and Universities UK 2015 report "Analytic Britain", Tech Partnership, Employer Insights Skills Survey (2015), Nesta, Skills of the Datavores (July 2015)

The Data Skills Taskforce, chaired by Accenture, draws on best practice from the UK's leading institutions. The taskforce was established to review and promote recommendations made in Analytic Britain across schools, universities and the labour market. It comprises UK businesses, data skills stakeholders and the Department for Digital, Culture, Media & Sport.

The Data Skills Taskforce will:

- Raise awareness of the value of data for UK businesses: work must be done to highlight where opportunities exist for UK businesses. Importantly, information is required on how companies could go about identifying and capitalising on these opportunities.
- Raise awareness of data science career opportunities for young people: work must be done to build the perception that data skills are valuable for development of a dynamic, fulfilling and well paid career, so young people seek the skills that companies require.
- Develop links between government, business and educators: the government's 2017 Digital Strategy outlines a commitment to working with the Data Skills Taskforce.
- The approach identified by NICD to work with employers in the private and public sector to transfer essential skills into their organisations through concrete, industry-driven collaborations squarely addresses a key risk identified.